



Daily Report

East Europe

FBIS-EEU-91-137
Wednesday
17 July 1991

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Islami Comments on Legislative Union Conference

AU1707093891 Tirana ATA in English 0811 GMT
17 Jul 91

["From the Proceedings of the People's Assembly"—ATA headline]

[Text] Tirana, July 17 (ATA)—On July 16 before noon, Kastriot Islami, chairman of the Presidency of the People's Assembly presented a report on the visit of the Albanian parliamentary delegation he led to Austria, the Soviet Union, Romania and Hungary.

This first visit of a parliamentary delegation of the first pluralistic assembly, the report says, aimed at presenting in the European parliamentary environment the achievements of the democratic processes in Albania, the difficulties and problems, it aimed at realising bilateral contacts with parliamentary groups of various countries and in the mean time to exchange opinions on various problems of the further development of the democratic processes.

The participation of our delegation in the 7th Conference of the Interparliamentary Union in Vienna occurred right after Albania's participation in the CSCE as a full right member.

During the discussions of the first day of the conference, almost all the speakers hailed Albania's adherence with full rights in the CSCE and voiced their pleasure that the Albanian delegation is given the chance to make its contribution to the security of peace in Europe through cooperation and understanding according to the demands adopted by the CSCE.

Almost all delegations in the conference voiced their worry over the events in Yugoslavia, laying the stress on the fact that they are not a simply Yugoslav factor, but they affect all Europe. Appealing to Yugoslavia for understanding, peaceful solution, they pointed out that this problem may be internationalized, assuming unseen proportions.

In this debate of the 7th Conference of the Interparliamentary Union of Europe, the Yugoslav delegate discussed among others on the address of the Albanian delegation in defence of the democratic rights of the Albanians living in their territories in Yugoslavia. Reiterating the old Yugoslav thesis, he considered it an interference in the internal affairs of Yugoslavia, declaring that he wonders about the Albanian delegate how it has the courage to speak of the rights of the Albanian minority in Yugoslavia, at a time when the Yugoslav minorities in Albania do not enjoy these rights.

In his address, the leader of the Albanian delegation, Dr. Kastriot Islami stressed among others that we do not agree with the evaluation of the Yugoslav representative, because 3 million Albanians in Kosovo and other territories in Yugoslavia are not a minority, but they represent a real force which should be taken into consideration for the solution of the Yugoslav crisis.

The conference called to ban every kind of war and that situation be stabilized so that the peoples in Yugoslavia live in peace and tranquillity.

Then the report of Dr. Kastriot Islami dwelt on the visits the Albanian delegation paid to the Soviet Union, Romania and Hungary, the receptions and meetings with some of the highest-ranking personalities of these countries, the constructive talks conducted with them, etc. It mentioned among others the meeting with the president of the Republic of Austria, Kurt Waldheim, with the chairman of the Supreme Soviet of the USSR, Luk'yanov, the chairman of the Soviet of the Nations of the Supreme Soviet of the Soviet Union, R.N. Nishanov, with the president of the Soviet Union, Gorbachev, the vice president, Genadiy Yanayev, the president of the Senate of Romania, Alexandru Birladeanu, the chairman of the House of Deputies of the Romanian Parliament, Dan Martian, the Romanian Premier, Petre Roman, the president of the Parliament of Hungary Gyorgy Szabad, etc.

The deputies asked explanations and put questions on the aids these countries will grant to Albania and the contribution of our delegation to the Kosovo question and the defence of legitimate rights of the Albanians.

After the sitting was over, the deputies continued in commissions. The assembly continues its proceedings.

President Zhelev Announces Elections for 29 Sep*AU1607130891 Sofia Khorizont Radio Network
in Bulgarian 1300 GMT 21 Jul 91*

[Text] This is what Valentin Stoyanov, the president's spokesman, announced to us this very moment:

On the basis of Decree No. 230 of 16 July 1991 and on the basis of Item 1 of the Constitution of the Republic of Bulgaria, President Zhelyu Zhelev has set the date for parliamentary elections and for local government elections. It is 29 September 1991.

Zhelev, Mitsotakis Discuss DMZ Proposal*AU1607194391 Sofia BTA in English 1836 GMT
16 Jul 91*

[Text] Sofia, July 16 (BTA)—Today Bulgaria's President Dr. Zhelyu Zhelev talked over the telephone with Mr. Konstandinos Mitsotakis, prime minister of Greece.

Dr. Zhelev and Mr. Mitsotakis discussed problems related to the initiative of setting up an offensive weapons free zone along the border between Bulgaria, Greece and Turkey. The sides expressed their hope that this idea would influence favourably the situation in the Balkans and would promote the CSCE process.

Dr. Zhelev and Mr. Mitsotakis expressed their countries' concern over the tense situation in Yugoslavia. They agreed that the conflicts there should be solved through peaceful dialogue and by a political compromise. The two statesmen pledged to maintain closer contacts.

Popov Reads Government Declaration in Assembly*AU1607171691 Sofia Khorizont Radio Network
in Bulgarian 1615 GMT 16 Jul 91*

["Declaration of the Council of Ministers," read by Prime Minister Dimitur Popov in the National Assembly in Sofia—live]

[Text] Esteemed Mr. Chairman, esteemed Lady and Gentlemen People's Deputies:

The Government of the Republic of Bulgaria has entrusted me with the task of reading the following declaration to you:

On 15 July 1991 the Council of Ministers of the Republic of Bulgaria discussed the situation in the country. All the ministers expressed their concern over the complication of the fragile situation, the appearance of hotbeds of tension, and possible negative consequences for public order.

The government gives a high assessment to the sound common sense and tolerance of the Bulgarian people, who are behaving in a worthy manner under very grave conditions. At the present decisive stage of the economic reform, and during the formation of the structures of

state, an exacerbation of the social situation creates a danger to civil peace, to the security and calm of the population, and to the peaceful transition to a democratic state. Political destabilization might give rise to serious complications in the fulfillment of the international agreements that have been concluded, and might lead to a halt in their fulfillment, which would be catastrophic for the country.

The Council of Ministers condemns any attempt to exercise violence in respect of citizens, officials, people's deputies, or institutions.

The government finds that the services of the Ministry of Internal Affairs acted in accordance with the laws and in fulfillment of the decisions of the Council of Ministers in order to protect public order in the vicinity of the legislature and ensure the adoption of the Constitution. [applause]

The law-and-order authorities are empowered to fulfill their duties of preserving public order in accordance with the laws and the Bulgarian Constitution.

The government confirms its loyalty to the oath it took and will observe the Constitution and laws of the Republic of Bulgaria adopted by the Grand National Assembly. [applause]

The Council of Ministers of the Republic of Bulgaria regards it as unrealistic to hold a referendum on the Constitution before the legislative elections. [applause] It considers that there are no obstacles to the discussion of this issue by the next National Assembly.

The government voices its concern for the health and lives of all those who are on hunger strike, and calls upon them to cease their actions and to fight for their demands using the means of legislative democracy.

The government is united in its actions and (?counts on) the full support of the citizens and the public and political forces in these difficult and responsible times for the nation.

Ladies and Gentleman, this declaration is signed and has been adopted with complete unanimity by the members of the Council of Ministers. [prolonged applause]

I ask for this declaration to be accepted by the chairmanship of the Grand National Assembly as an official document.

Supported by Major Factions*AU1607185691 Sofia BTA in English 1736 GMT
16 Jul 91*

[Excerpts] Sofia, July 16 (BTA)—The government voiced its position on the problem of holding a referendum and issued a declaration appealing to the MP's on hunger strike to call it off. The declaration, which was read by prime minister Dimitur Popov, was voted through in parliament. [passage omitted]

The declaration received the support of the major political factions. The Socialists made the proviso that only a Grand National Assembly could make a decision for a future referendum, expressing at the same time their satisfaction with what was described as a "collective oath of allegiance of the government to the new Constitution." The representative of the Agrarians who voiced their support for the compromise settlement said firmly in his statement that "nobody can twist the arms of parliament and the state institutions."

Assembly Reaches Compromise on Constitution Oath

AU1607173391 Sofia BTA in English 1706 GMT
16 Jul 91

[Text] Sofia, July 16 (BTA)—After the Constitution was finally adopted on July 12, the Grand National Assembly took a decision to dissolve itself and to continue functioning as an ordinary National Assembly.

Today's first meeting of the ordinary National Assembly started with a lengthy discussion on the problem of whether the MP's should take an oath on the new Constitution. According to a recent parliamentary decision the MP's, the government and the president should do so. Twenty-seven of the MP's who had walked out of parliament declared a hunger strike last week in protest to this decision. They argue that this may lead to the cancellation of the credentials of the MP's who refuse to take an oath again. After three of the cabinet members—Mr. Dimitur Ludzhev, Mr. Ivan Kostov and Mr. Ivan Pushkarov—refused to sign the new Constitution, there was some talk of a possible cabinet crisis in case these ministers refuse to swear in again.

After three hours of consultations between the political forces and long debates in parliament, the MP's finally arrived at a compromise, according to which all MP's who wish to do so will take a new oath, but there will be no legal consequences for the MP's who refuse to do it and they will keep their seats in parliament until it finally dissolves itself.

"The arguments over the oath reveal the imperfection of the new Constitution," Mr. Georgi Markov, one of the striking MP's, said on the national radio today. "Although the problem of the oath has been settled and the president fixed the date for new elections, we will not give up our demand for a referendum on the new Constitution," Mr. Markov said.

Podkrepa Demands Referendum on New Constitution

AU1707083391 Sofia DEMOKRATSIYA in Bulgarian
10 Jul 91 p 1

[Toni Markov report]

[Text] An issue of such importance for the country as a constitution should be settled by means of a nationwide

referendum, stated Mr. Konstantin Trenchev at a news conference held on 9 July on behalf of the Executive Council of the Podkrepa Labor Confederation. The federation will submit a proposal to the president of the Republic and the Grand National Assembly on calling a referendum, which might be held around the middle of August. It is not important whether the Constitution that has already been signed or the draft constitution is submitted to a public vote. Radoslav Nenov, the spokesman of Podkrepa, referred to the National Referendum Act and cited examples in the history of other countries, including the French nation's rejection of a draft constitution in 1946. Dr. Trenchev pointed out that there are reasons to seriously doubt the legitimacy of the present Grand National Assembly and the efficiency of its work. First, there is the excessive manipulation and rigging of last year's elections, as a result of which the present composition of the legislature does not represent the true correlation of the political forces in the country. No one knows to what extent the people's deputies are legitimate, since the report of the Legislative Mandate Commission has not been accepted. Many people's deputies and entire party groups have walked out of the Grand National Assembly, and political trust has been removed from some of the members who stayed in the legislature. Many of the legislative acts already adopted suffer from imperfections.

The federation's spokesman stated that another reason why they did not want a new Constitution to be adopted by this Grand National Assembly is that the wording of the articles in the draft text concerning the rights and freedoms of trade union members did not take into account the views of either of the two great trade union federations in Bulgaria. The Podkrepa Labor Confederation proposes the calling of a referendum in the name of its more than 700,000 members, and not as a political factor. It does this in order to neutralize possible manifestations of protest against the adoption of the Constitution that might be more extreme in nature and might breach social peace in the country. By participating in the next elections, the trade unions might assist in ensuring that they are honestly and fairly conducted and that social peace is preserved. This idea of the Podkrepa Labor Confederation's president has already been supported by the Executive Council and is likely to be also adopted by the Confederative Council of Podkrepa. Consultations held between the trade union partners indicate that the Confederation of Independent Trade Unions in Bulgaria supports in principle such participation in the elections.

Sofia City Council Condemns Attack on Mayor

AU1607200491 Sofia Khorizont Radio Network
in Bulgarian 1900 GMT 16 Jul 91

[Text] The Khorizont Program has received a declaration from the interim Executive Committee of Sofia. It states as follows:

We consider it our most honorable civic duty to condemn the unworthy assault on the mayor of Sofia at such a critical moment for the capital. This act shows gross lack of respect for the law, the status of a member of the legislature, and civic ethics.

We find it necessary to call upon the citizens and guests of Sofia to strictly observe the established public order and the instructions of the interim Executive Committee of Sofia, the declaration states.

BSP's Lilov Warns of Possible Extremist Actions

*AU1607162191 Sofia BTA in English 1530 GMT
16 Jul 91*

[Text] Sofia, July 16 (BTA)—According to Mr. Aleksandur Lilov, leader of the Bulgarian Socialist Party (BSP), the political reform in Bulgaria is advancing well and the adoption of the new Constitution has proved it. However, at today's regular press conference of the BSP, Mr. Lilov said that the country is threatened by a possible translation of political extremism into actions that may plunge it into a crisis, chaos and clashes.

The BSP believes that on Friday, the day the new Constitution was signed, the government, the Ministry of the Interior and Mr. Danov, minister of the interior, acted within the framework of the country's law. Mr. Lilov said that at today's talks between the political forces, which were attended by President Zhelev and Premier Popov, Mr. Danov was given complete support. According to Ms. Nora Ananieva, leader of the Socialist parliamentary faction, the problem of Mr. Danov's resignation, on which the Union of Democratic Forces insisted, is no longer on the agenda.

According to Ms. Ananieva, the greater part of the Socialist parliamentary faction favours a mixed electoral system. But the proportional representation system also has its proponents, Ms. Ananieva said.

Police Officials Explain 12 Jul Incidents

*AU1607154791 Sofia BTA in English 1351 GMT
16 Jul 91*

[Text] Sofia, July 16 (BTA)—Police officials gave a special news conference today in connection with the incident on July 12 when three MP's on hunger strike were beaten by the police.

Journalists saw a video film on the events that took place around the building of parliament on July 12 while the new Constitution was being signed. People involved in the incident told the news conference that there are no scenes of the incident itself in the film, while police officials explained that the police cameraman was unable to shoot the clash itself. The incident took some 30 to 40 seconds.

Even if there were MP's fallen on the ground, even if they were hit, the police acted lawfully, Police Director Colonel Milcho Bengarski said. He explained that there

was no violence, the police only acted to avoid riots. Colonel Bengarski stressed repeatedly that there was no law-breaking on the part of the police.

Police officials also explained that investigation proceedings have not been instituted until now. A police inquiry was carried out and the actions of the police were assessed as good, Colonel Bengarski said, adding that those who consider themselves victims have the right to file a complaint with the court.

In connection with the incident on July 12 the Union of Democratic Forces had demanded the resignation of Mr. Khristo Danov, minister of the interior. The political forces held consultations today at which politicians voiced support for Mr. Danov, participants in the consultations pointed out.

Two Communist Parties Decide To Merge

*AU1607195891 Sofia Khorizont Radio Network
in Bulgarian 1433 GMT 16 Jul 91*

[Text] The Bulgarian Communist Party [BCP] and the Bulgarian Communist Party—Marxists [BCP—Marxists] have decided to unite into a single party. This was announced at a news conference held in Sofia today, at which the BCP was represented by its first secretary, (?Geno) Vlahov, and the BCP—Marxists by Vladimir Spasov.

The unification of the BCP and BCP—Marxists will take place at a joint conference or congress, the date of which will be finalized later.

It was stated at the news conference that both parties maintain contacts with the Bulgarian Socialist Party [BSP] and are willing to take part in a coalition with the BSP in order to contest the next elections. It was also announced that the two parties maintain no relations with the Bulgarian Communist Party—Revolutionary, because Mr. Todor Zhivkov's name is recorded under No. 69 in the latter party's list of members.

Party Members Call For Special BSDP Congress

*AU1707080691 Sofia DEMOKRATSIYA in Bulgarian
10 Jul 91 p 3*

[Undated letter from party members: "Appeal for an Extraordinary Congress of the Bulgarian Social Democratic Party on 17 and 18 August"]

[Text] In connection with the complex internal political situation in the country during the last few weeks, as well as the serious crisis that has arisen within the ranks of the Bulgarian Social Democratic Party [BSDP], we appeal to all Social Democrats in Bulgaria who sincerely desire the unity of our party and support our call:

1. Irrespective of the decisions of the BSDP leadership, to continue their active participation in the SDS [Union of Democratic Forces] National Movement at the local

level, in the municipal coordinating councils, and in the citizens' clubs, in order to promote the opposition's victory in the elections.

2. In order to escape from the confused situation, to prevent the attempts to split the party, and to stop the falling away of members, to support the idea of the Initiative Committee on Convening an Extraordinary Congress in Sofia on 17 and 18 August.

Applications to take part in the congress as delegates (one delegate for every 50 members or one per municipal organization, if it has less than 50 members) should be sent by 5 August 1991 to the following address: Post Office Box 1421, BSDP-Lozenets, 32 Khristo Smirnenski Boulevard, Sofia, addressed to the initiative committee. Telephone numbers for inquiries: 66-56-75, 62-80-78, 66-78-35, 52-01-09, and 31-82-52.

(Signed) The Initiative Committee for Convening an Extraordinary Congress:

Ivan Kurtev, Petko Turpanov, Ivan Anev, Mariya Boyadzhieva, Valentin Nenchev, Slaveyko Bozhinov, Krustyu Pastukhov, Ruslan Semerdzhiev, Dimitrina Iskrenova, Ivan Penchev, Velislav Velichkov, Yordan Tsonev, Nikolay Patukhov, Lyubomir Roev, Irena Briyantshtikova, Nencho Nenchev, Pedtur Marinkov, Georgi Petrov, Dobromir Rachev, Aleksandur Aleksandrov, Krum Slavov, Andrey Manolov, Dancho Danev, Stefan Konstantinov, Katya Pironkova, Nikola Daskalov, Veselin Dzhendov, Veselin Stoykov, Ivan Pavlov, Stefan Tabakov, Ivan Stamatov, Ana Stoykova, Veneta Grozdanova, Veneta Taseva, Petur Atanasov, Robert Popov, and Konstantin Zhelev.

IAEA Team Begins Kozloduy Inspection

AU1607162591 Sofia BTA in English 1507 GMT
16 Jul 91

[Text] Kozloduy, July 16 (BTA)—Experts of the International Atomic Energy Agency (IAEA) started the inspection of Generating Unit 5 of the Kozloduy Nuclear Power Plant after their first meeting yesterday held to specify the programme of the inspection. The findings of the OSART "mini" mission from October 15 to 26, 1990, will be taken as a starting point. Mr. Ferdinand Franzen, head of the mission, told BTA at that time that the Kozloduy Power Plant as a whole, and Generating Unit 5 in particular, were going through a critical phase. Living and working conditions had led to an almost dramatic brain-drain which threatened the safe start of Generating Unit 6 and could possibly lead to a forced closure of Generating Unit 5, which was operating already. The mission insisted then that open-doors policy continue on a larger scale, face to face with the international atomic energy community and with the general public.

The results of last year's inspection and the experts' recommendations were presented to the Bulgarian Government and to the management of the Atomic Energy Corporation.

The next 15 days will show how many of them have been taken into consideration to bring Generating Unit 5 in line with safe operation international standards.

The IAEA experts are in Bulgaria at the invitation of the government. After the 800-megawatt Generating Unit 5 is stopped, the Committee on Power Engineering should do its best to start the 1000-megawatt Generating Unit 6. Then the Kozloduy plant will be generating as much power as it did last winter. In case of a power shortage a regime will be introduced of one-hour power cuts in every three hours.

Academy of Sciences Leadership Resigns

AU1507171591 Sofia DUMA in Bulgarian
11 Jul 91 p 2

[DUMA PRESS report: "Bulgarian Academy of Sciences Leadership Hands In Its Resignation"]

[Text] At yesterday's session of the Bulgarian Academy of Sciences' Presidium it was learned that the leadership is about to hand in its resignation. The reason for this decision is that the leadership has been submitting proposals on changes within the academy, but does not get any support. A bill on the Bulgarian Academy of Sciences' organization was submitted a long time ago, and proposals on new methods of financing and establishing academy-owned companies and other such suggestions were drafted, but neither the Council of Ministers nor the Grand National Assembly have paid any attention or made any decision on the issue. In the meantime the academic leadership is subject to severe criticism and accused of not doing anything for the academy's renewal. Under such circumstances the only way out is to resign, the leaders of the greatest scientific institution in our country think.

The presidium decided to convene a general meeting by mid-September 1991. If parliament continues to work as an ordinary National Assembly and if it passes the bill on the Academy of Sciences, the election of a new leadership should proceed according to the rules of the newly created general meeting with representatives of the individual institutes. If the bill is not adopted, the leadership and presidium of the Bulgarian Academy of Sciences will be convened on the basis of the current statute. A commission in charge of nominating candidates for the new leadership has been appointed.

Government Decree Supports Agriculture

AU1507182491 Sofia DUMA in Bulgarian
12 Jul 91 p 1

[Evgeni Gavrilov report: "Government Injection for Rescuing Agriculture"]

[Text] A total of 1,100 leva per tonne is the bottom limit of the price for bread grain the government approved yesterday. Pork will be purchased for no less than 11.90

leva, compared with the current price which fluctuates between seven and nine leva per kilogram. The minimum purchase price for poultry and veal per kilogram and for milk per liter, with 3.1 percent of fat contents, is expected to amount to 11.10 leva, 13.26 leva, and 2.05 leva respectively.

According to a Council of Ministers decree on improving economic conditions in the agricultural sector, the state budget should allocate 900,200,000 leva for the rescue and revival of this economic branch. Despite all this the state budget is not expected to fully compensate for the effect of the increased purchasing prices of agricultural production. This is what Boris Spirov, minister of agriculture and food industry stated.

He added that according to the forecasts of specialists from the Ministry of Agriculture and Food Industry, the retail prices of bread, meat, and milk should be expected to increase by 10 percent. It is my personal conviction that the bread price could be only very slightly increased on the grounds that only 25 percent of the price is directly connected with grain, the minister added.

Premiums amounting to 330 million leva will be granted for the producers of agricultural goods who are working under hardship conditions. Credits at interest rates that are expected to be 50 percent lower than the average current interest rate are expected to be granted for activities related to the stimulation of agriculture. The difference in the interest rates amounting to 427,700,000 [leva] will be charged to the state budget. The profits from sideline activities of companies engaged in veterinarian services and in the maintenance and exploitation of irrigation and land improvement equipment will be exempt from taxation.

Minister Spirov stated that the government decree which was adopted in this sphere facilitates the economic conditions of agricultural activities for the period up to the end of 1991.

USSR To Pay Gas Pipeline Debt With Gas

*AU1707080391 Sofia DEMOKRATSIYA in Bulgarian
11 July 91 p 2*

[Mariana Kostova report: "USSR Will Totally Pay Off Its Debts For Our Participation in the Yamburg Gas Pipeline"]

[Excerpt] On 10 July, at the news conference of the Ministry of Foreign Economic Relations, Minister Atanas Paparizov confirmed that the USSR would totally pay off its debts for Bulgaria's participation in the building of the Yamburg gas pipeline. Over the last two years we have imported 1.5 billion cubic meters of gas through it; this year we will import 2.9 billion cubic meters, and next year 3.75 billion cubic meters. According to the calculations of the ministry's experts, the Soviets will be paying off their debts with gas until 1996 for our part in the building of the pipeline. When this arrangement runs out there is a possibility that a new agreement will be signed. Despite the fact that the transferable ruble is not a unit of payment, our accounts for the Yamburg deal are based on it, and the price of gas for the whole of 1991 is 63.50 rubles per 1000 cubic meters.

Minister Paparizov believes that this is one of Bulgaria's most lucrative deals. According to his calculations, our income will exceed our outflow by more than 13 billion leva calculated on an exchange rate of \$1 to 1.15 leva. As for being shareholders in the pipeline, this was a stylistic error because we do not own any part of it. [Passage omitted]

Slovak Government Policy Implementation Assessed
*AU1607122791 Bratislava SLOVENSKY DENNIK
in Slovak 12 Jul 91 p 3*

["Report on Fulfillment and Implementation of the Slovak Government Policy Statement of July 1990 submitted by the Slovak Prime Minister to the 16th Session of the Slovak National Council (Abbreviated): I. Current Situation"]

[Text] Since its formation, the government has discussed and assessed a total of 77 Slovak National Council bills or their amendments, 71 Federal Assembly bills, 18 drafts of CSFR Government decrees, and adopted 15 Slovak Government decrees. To summarize, the government has dealt with 181 drafts of legislative revisions as of 20 June 1991. Of the 77 Slovak National Council bills discussed, the government approved and submitted to the Slovak National Council 46 Slovak National Council bills or their amendments in the form of government bills, one proposal of Slovak National Council bill principles, and one proposal of Slovak National Council Presidium legal measures. The completion of the Slovak constitution draft still has the highest priority; its adoption will provide conditions for the democratic and free development of Slovakia.

International Relations

After a year of Slovak Government operation in the field of international relations, one can say that, despite a certain lack of definition in dividing this activity between the federation and the republics, the Slovak Government has achieved its foreign policy goals.

The effectiveness of the continuing operation of the Ministry of International Relations is still conditioned on hiring highly-qualified staff. The dynamic development of the Slovak Government's foreign relations is demonstrated by the fact that since June 1990 government delegations have taken 12 foreign trips, and 10 government delegations have visited the Slovak Republic. Slovak Republic representatives have met with 52 ambassadors and consuls. The growing consular activity in the Slovak Republic is evidenced by the establishment of 10 consular offices in Bratislava; a Consulate General of Italy was opened, and other countries have indicated interest. The Slovak Republic has become involved in the work of the committees preparing association agreements for the entry of the CSFR to the EC and to the European Free Trade Association. In the Slovak territory the Slovak Republic, the Ministry of International Relations coordinates the activities arising from CSFR membership in the Council of Europe. The Slovak Republic has become a full member of the Association of European Regions, and cooperation with the UN office in Vienna has been initiated. Moreover, we submitted proposals for creating a UN Center for Human Rights and a UN Laboratory for Testing Chemical Weapons in Bratislava. Out of concern for Slovaks abroad, Slovak Government representatives visited Slovaks in Poland, Hungary, Romania, Yugoslavia, Canada, and the United States. Arrangements were made for the children of Slovaks

living abroad (85 students during the 1990-1991 school year and another 45 next year) to study in Slovak universities and high schools.

Economic Policy

The current changes in economic organizational structure have been reflected in the increasing number of economic enterprises in the Slovak economy. The share of the registered private entrepreneurs marked a particularly large increase—their number reached 194,000 this May.

The government emphasized in its policy statement that the transfer to a market economy would not be simple. During the period of the preparation and implementation of economic reform, the external conditions worsened, above all through the influence of the Persian Gulf War, the collapse of the CEMA market, the formation of the united German market, and decline in the world market's prosperity, etc. The negative impact on the Czech and Slovak economy amounts to 5 to 6 billion dollars (i.e. approximately 140 to 168 billion korunas). The impact would have manifested itself independently from the orientation of the economic reform. The decline in economic activity and in the living standard would have also necessarily occurred if the transfer to a market economy had been introduced in gradual steps. It is a short-term decline, linked to the disintegration of the old system and formation of the new system and to the turn toward economic growth based upon the creation of a market economy.

Within the framework of the total transformation process, financial policy is conceived of as a restrictive and anti-inflationary one, both state-wide and in the republics. The participation of foreign bank capital in our market is lower than original expectations. The hesitancy of the foreign banks must be overcome by creating conditions for development through political, economic, and currency stability. Eight banks operate in the territory of the Slovak Republic—the Czechoslovak State Bank (main institution), the Investment Bank, the People's Bank, the Slovak Post Bank, the Slovak Guaranty Bank, the Slovak State Saving Bank, the Tatra Bank, and the General Credit Bank. Foreign capital participates in the operation of the People's and the Tatra Banks. The Slovak National Council Law 24/1991, in effect since 1 March 1991, which enables the foundation of new insurance companies and associations, was adopted with the demonopolization of the insurance industry in mind. Thus far, two insurance companies were founded—Koopertiva in Bratislava and Otcina in Nitra. Additional insurance companies are being organized. The preparatory work for a Securities Exchange Company in Bratislava is in progress. A stock-holding company, Stock Market Bratislava, has been gradually

constituted. A new legislative arrangement for a comprehensive price system was adopted. Tax reform is aimed at supporting entrepreneurship, particularly through the law amendments and in levies to the state budget on the pension and agricultural taxes that correspond to the principle of territorial utilization of resources according to the place of their origin. The value-added tax and the consumer tax are considered to be the basis of taxation. A law on excise tax is being drafted to conform the conditions for imports of goods for citizens and organizations not entered in the enterprise register. Concurrent with the taxation system reform, a two-level system of internal revenue bodies was formed. Work also began on the problems of utilizing the select, state special-purpose funds, particularly in the field of social security, culture, ecology, health care, and the fund of environmental market regulation, etc.

As a result of changes in the power-sharing laws, the jurisdiction of the Slovak Government grew. Some branches of mechanical and electrical engineering, ore mines, the mining and processing of magnesite, fuel-energy complexes, metallurgy, transport, and communications, all of which were originally managed by federal bodies and the state administration, are now managed by the Slovak Ministry of the Economy. The institutions involved consist of 185 enterprises employing, in 1990, a total staff of 427,000 and a total volume of production valued at 143 billion korunas, with a profit of 10.5 billion korunas. Analyses have shown that the individual branches of this sector are, compared with the world, characterized by outdated fixed assets, low levels of finished products, and high consumption of energy and material. The ecological condition of these institutions is also poor. Therefore, the Slovak Government has considered one of its primary tasks to be a gradual creation of conditions for a fundamental structural change of this sector. The implementation of the continuous casting of steel in the East Slovak Iron Works [VSZ] in Kosice has been successful. Modernization of steel production in Sverma Iron Works in Podbrezova is in progress, and aluminum production in Ziar nad Hronom is also being modernized. A solution is being sought for the problems in nickel production in the Sereď Nickel Works. The elimination of dust in the production of ferrous alloys in Orava Ferrous-Alloys Smelting Works in Istebne was completed. The government has also focused on the conversion of the arms industry in mechanical and electrical engineering. The Slovak Government provided guarantees for credits to finance a project of producing small diesel-fuel engines in Turčianske Engineering Works Martin, under the license of the firm Lombardini. Its decision on the selection of a partner for the Bratislava Car Enterprise [BAZ], a stock-holding company in Bratislava, created the necessary conditions for a successful solution to the protracted problem of developing the car industry in Slovakia. The government has provided a credit guaranty for an investment operation called Increase Security in the V-1 Power Plant in Jaslovské Bohunice. An organizational arrangement of a transit gas pipeline as a stock-holding company with the

seat in Bratislava is in the works. The government discussed the reduction of coal mining and the concept of utilization of selected raw materials. A stock-holding company called Transpetrol was founded with the seat in Bratislava. The collapse of the Soviet market in 1991 became the decisive risk factor for the producers.

The Slovak Industry Ministry is trying hard to solve the problems connected with the procurement and transport of crude oil to the CSFR. The increase in the capacity of the Adria pipeline will double the flow between Hungary and the Slovak Republic (Tupa). A technical solution was also submitted for connecting the Schwechat and Slovnaft oil refineries.

The policy of structural changes in agriculture and food production is aimed at raising production effectiveness. As a result of the increase of food prices following their liberalization and the subsequent decline in demand by 20 to 30 percent, a new problem arose from the accumulation of stores of surplus food. This was dealt with by reducing beef cattle herds and the milk production surplus through intervention purchases and by a support for exports through the state fund for market regulation. However, it is necessary to add that we have not been successful in realizing this goal so far. We support selected development programs of the agricultural and food complex through subsidies; its restructuring will correspond to the new economic conditions.

Social Policy

An independent system of state-legal bodies was built—labor exchanges and a system of social guarantees were introduced for protection in the event of a temporary loss of employment. Despite growing unemployment (137,355 unemployed were registered in the Slovak Republic as of 31 May), the labor exchanges focused mostly on passive operation connected with the approval and disbursement of unemployment benefits. Only recently have they begun to employ active tools of the labor-market policy, and until now, they have almost totally disregarded the operation of the departments, enterprises, and regional bodies aimed at creating jobs. Based upon general agreement, the recommended growth of wages has been set for the first two quarters—9 percent in the first quarter and 22 percent in the second quarter. A minimum wage has been established. As of 1 October 1990, parental benefits replaced maternal benefits, and the amount was adjusted from 600 to 900 korunas per month. As of 1 March 1991, the support payment at childbirth was raised from 2,000 to 3,000 korunas. The minimum pension has also been raised for pensioners with no other source of income, and pensions were adjusted according to the year of their award. At the same time, the conditions and the method were established for the indexation of pensions according to the increase in the cost of living or the rise in the average wages. Social security bodies are currently working on the adjustment of pensions according to the law on judicial restitution. A proposal of measures for the

complex solution to the issue of physically disabled citizens was completed, and it will be discussed by the Slovak Government.

Security

Since the crime rate rose in 1990 compared to the previous year, despite the fact that more major crimes were solved than in 1989, the total percentage of crimes solved reached only 57.3 percent.

The increase in the crime rate declined somewhat during the first five months of this year, and in some crimes, it was reported as stable. The statistics on road accidents and the number of killed or injured are positive. A major decentralization of the police force occurred. Hence, fundamental work issues are dealt with in places where the knowledge of problems is best.

Health Care

The transition from a three to a two-level administration was accomplished, and the dissolution of the District Institutes of National Health is expected before the end of 1991. The financing of health institutions through the regional finance administrations, which are to become a part of the Slovak Ministry of Health, has temporarily changed—i.e. until the health insurance system is formed in 1993. In the interest of a systemic solution to a complex, long-term and society-wide problem, which contributes to the adverse development of the population's health, the Slovak Ministry of Health decided to draft a national health care program.

Education

A better differentiation in education is being prepared; the foundation of private and church schools has been made possible, as has the decentralization of school administration. Universities became autonomous entities, with academic senates having the powers of decision. The academic senates are elected. Based on preliminary calculations, the budget is presently short 4.4 billion korunas for the development of education. As of 1 September, an examination will begin on the new system of two-level occupation training. The primary network of changes is the organization of 71 secondary institutes for girls. In addition, 12 vocational schools offering high school qualifications, six two-year business schools organized by business academies, and one by the Short-Hand Institute [Stenografický ústav] have been founded. In cooperation with the Kinderzentrum in Munich, a children's center [Detské centrum] was founded in Bratislava as a research, educational, teaching, and clinical center for handicapped people. The foreign-language education administration has grown substantially.

Enrolled in full courses of studies abroad are 715 Slovak students, and 3,076 Slovak students and educators have participated in long or short-term trips abroad. Twenty-three of our instructors teach the Slovak language in 13

countries. Studying at schools in the Slovak Republic are 2,190 students from 86 countries; 102 of them are Slovak nationals.

Carnogursky Comments on Slovak Political Scene

AU1607174591 Prague MLADA FRONTA DNES
in Czech 15 Jul 91 pp 1, 3

[Interview with Slovak Prime Minister Jan Carnogursky by Karel Hvizdala and Ivo Slavik; place and date not given: "I Would Not Emigrate"]

[Text] [MLADA FRONTA DNES] You became prime minister during a very complicated period. Mr. Meciar and his party are most popular, whereas you yourself are rather low in the popularity ratings. With what kind of program do you want to win people over to your side?

[Carnogursky] Public opinion polls are very useful and provide a true picture of society's moods, but they are quite inconsistent. For example, if we take Slovakia alone, for a relatively short period—sometime around last April—the Christian Democratic Movement [KDH] had an unequivocal lead. Then the Public Against Violence movement won the elections, the Slovak National Party was in the lead sometime around August-September, the KDH won the local elections, and now the Movement For a Democratic Slovakia [HZDS] is in the lead. Another fact is that I took over as prime minister on the basis of being entrusted with the post by the Slovak Republic's constitutional body and in harmony with the constitution. If someone wants to form a government and is capable of forming it and of governing in Slovakia, he has to come to power in a democratic manner. He has to gain a sufficient majority in the Slovak National Council [SNR].

[MLADA FRONTA DNES] Mr. Prime Minister, the situation is not only complicated in Slovak society, it is also complicated—first and foremost—in your own movement, in the KDH. Mr. Meciar spoke at a news conference about democratic forces within the KDH and said that he could see in them important allies for his movement. According to our information, these streams—if they were to be personified—would be as follows: Mr. Klepac represents a nationally-oriented group, Mr. Petrik represents a religiously-oriented group, and there is also a group surrounding Mr. Bohm. How are you coming to terms with this potential polarization?

[Carnogursky] Mr. Meciar and the HZDS are interested in sowing discord, first and foremost, in the KDH because it is the most united and most compact movement on the Slovak political scene. The fact is that there are constant debates within our movement, especially on national issues, on what extent the KDH should be more radical in asserting a freer status for Slovakia within the framework of a joint state. We are a movement, and holding such discussions is still within its rules. So far, we have always been able to find a convenient and constructive path. I am convinced that we will continue

to find this convenient and constructive path because we have a common ideological basis: Christianity.

[MLADA FRONTA DNES] Do you think it is at all possible to link your matter-of-fact pragmatism with contemporary Slovak national romanticism?

[Carnogursky] The argument is very often repeated—especially in the Czech environment—that this romantic ideal of a nation does not in fact fit into today's environment and that Europe is moving along a road of integration and not a road of polarization and so on. But how do you explain the processes that are taking place in the USSR, Yugoslavia, and Belgium? Simply, it is constantly being confirmed that the ideal of a nation is the strongest ideal in the world.

[MLADA FRONTA DNES] Not in America?

[Carnogursky] In Europe.

[MLADA FRONTA DNES] Let us look, for instance, at Spain, where the Catalan conflict has been partially resolved, or at the national problem associated with entry into Europe. All of a sudden, what is happening in Brussels, in France, and in Italy has become more interesting for Barcelona than what is happening in Madrid....

[Carnogursky] For this very reason, I personally, and the KDH finally, am striving to place the Slovak issue into the perspective of the CSFR's entry into the European Community and then into the perspective of Slovakia's independent status within the European Community. However, it is possible that an issue presented in this manner is too narrowly formulated in view of the fact that we do not know exactly what kind of conditions we will be capable of negotiating for our entry into the European Community.... In any case, it is a perspective in which I see a possibility for dealing with the schizophrenia you mentioned.

[MLADA FRONTA DNES] With what kind of program do you want to go into the elections in a year's time?

[Carnogursky] Of course, we need to continue with economic reform, but—within the framework of implementing economic reform—we need to formulate a policy to make sure that we guarantee Slovakia's fundamental equality. We have to make sure that the majority of enterprises in Slovakia are stabilized and that Slovak citizens have basic certainties.

[MLADA FRONTA DNES] Is that the main point of your program?

[Carnogursky] The second main point is, of course, the constitutional and legal arrangement, that is, concluding a treaty between both of the republics represented by the national councils. Whether the federal constitution is drafted is not only dependent on us.

[MLADA FRONTA DNES] As a rational politician, you favor radical reform, but you yourself say (viz. RUDE

PRAVO on 14 June) that you are able to envision a situation that would warrant the introduction of social equality by administrative means. Voices can also still be heard insisting on an independent central bank. Is the same schizophrenic problem not encoded in these demands as in the political arrangement?

[Carnogursky] We organized a seminar four or five years ago. In the discussion, the opinion was expressed that—during a social crisis—such a solution could be reached, and I can envision that a certain social security net could be guaranteed in this manner and that, in fact, a certain social leveling off could be achieved.

[MLADA FRONTA DNES] What about the central bank?

[Carnogursky] The central bank is an issue that I do not regard very highly and with which I am not very familiar. The KDH is in favor of a single currency.

[MLADA FRONTA DNES] Slovaks have a tendency to give emotional support to strong personalities, albeit cheap populist ones. How do you want to come to terms with this phenomenon?

[Carnogursky] We want to stick to matter-of-fact reasoning. Other reasoning leads, sooner or later, to a blind alley. Slovakia cannot allow itself to suffer another defeat of the type the Slovak state suffered in the years 1939 to 1945.

[MLADA FRONTA DNES] Is it true that in Slovakia approximately 1,000 people are added to the unemployment register every day?

[Carnogursky] It is fewer now, but the fact is that unemployment is continuing to rise. Look, after the government reshuffle, Mr. Meciar claimed that a general strike would bring the government down within a week. Then he claimed that there would be early elections within two or three months, and now nothing is being said about early elections. His government would not last long with the kind of program his party has presented so far. It would lead Slovakia into catastrophe.

[MLADA FRONTA DNES] Are you not afraid that Mr. Meciar and his party could assume power even before the elections?

[Carnogursky] I consider this to be highly improbable. The SNR has now resisted these attempts twice, and I have the impression that they are not very interested in forming a government at the moment because we are undergoing a far too difficult period. Slovakia's opportunities are somewhat limited, but if a government led by Mr. Meciar came to power in Slovakia, then I believe that these opportunities would be far more limited. I cannot envisage how such a government would resolve Slovakia's problems. I would not be in such a government.

[MLADA FRONTA DNES] What would you do?

[Carnogursky] I would be an opposition politician.

[MLADA FRONTA DNES] Do you regard the Kromeriz settlement as progress?

[Carnogursky] I regard it as progress in the sense that the republics' original sovereignty has at least been de facto recognized, and in the sense that a treaty will be concluded first, followed by a constitution. However, this constitution will have to be ratified again by the republics.

[MLADA FRONTA DNES] Why have all references to the federation been removed from the SNR resolution on constitutional and legal issues?

[Carnogursky] On the one hand, this resolution reflects certain moods in Slovakia, but the resolution itself is not against the federation. It leaves the whole issue open, with the proviso that the kind of constitutional and legal arrangement established will be a matter for agreement between the national councils. From this point of view, it is not normal to say what the outcome of talks will be before the talks have begun. Finally, any talk about a federation or confederation would not be completely correct.

[MLADA FRONTA DNES] You said that the wording of the resolution reflects certain moods in Slovakia. Would you like to be more specific?

[Carnogursky] A psychological feeling of solidarity in our republic is concentrated on Slovakia, and this feeling of solidarity wants to be expressed constitutionally and legally. If we compare development in Yugoslavia and the USSR with development in our country, we see that this is an element of the same search for forms for implementing national ideas. On the other hand, who would want to abandon the security that the current state, or the joint state of Czechs and Slovaks, provides and embark upon a road full of the uncertainties and risks associated with independence?

However, let us imagine the opposite situation: Undoubtedly, the Czech economy will become adaptable to the European Community earlier than the Slovak economy. If the criteria laid down by the European Community for entry into the community are such that they would enable the Czech Republic to enter the community and not—for purely economic reasons—the Slovak Republic, do you think the Czechs would resist the attraction of earlier entry into Europe and would say that they are waiting for Slovakia?

[MLADA FRONTA DNES] We will answer your question absolutely accurately. It is your affair. If you leave the federation alone, no one will appraise Slovakia separately. Moreover, it is simple to precisely define the conditions for our entry into Europe. If Europe is interested in more than 50 percent of the goods Czechoslovakia can manufacture, we belong there. If we produce less, no one will be interested in us.

[Carnogursky] But my question concerned an objective situation, that it will take Slovakia longer before it can produce 50 percent of the products sold in the West....

[MLADA FRONTA DNES] This is a different issue. The issue would be more clear-cut if, from the beginning, you did not want to participate in average production and claimed that Slovakia is separate.

[Carnogursky] Good. You have said that Czechoslovakia will be taken as a whole and that we have to achieve this 50 percent as a whole.

[MLADA FRONTA DNES] Let us return to the constitutional and legal arrangement and to jurisdiction. What is a federal council?

[Carnogursky] It should be something like a second legislative chamber.

[MLADA FRONTA DNES] Is there not a danger here that nothing will change and that more and more such situations will continue to arise and will drain away the energy we need to resolve important issues?

[Carnogursky] Yes, this could happen and, obviously, there would be a stalemate. From this point of view, the republic would be less operational than a single state. However, if we continue to realize that the advantages of a joint state involving these two nations and republics exceed the disadvantages resulting from the existence of such a stalemate, then the joint state will continue to exist.

[MLADA FRONTA DNES] But a stalemate, in fact, led Madison and Hamilton to draft the American constitution that was then adopted....

[Carnogursky] The difference between the American and the Czechoslovak federations is that the American federation is based upon a single American nation. Our federation is based on two nations.

[MLADA FRONTA DNES] Let us look at this issue from a purely technical point of view. If nations were not involved, then various interests would clash and prevent it from functioning....

[Carnogursky] Interests that are not linked to nations are perhaps better dealt with on a rational level, but we could get ourselves involved in wider philosophical issues exceeding the framework of the interview.

[MLADA FRONTA DNES] In your opinion, what kind of mechanism could be created to make sure that all the issues associated with jurisdiction do not open up again?

[Carnogursky] One way is to minimize the scope of joint jurisdiction and, thus, also minimize the scope for possible conflicts. The second thing is that the democratic rules by which problems will be resolved should be announced, and the third thing is that, even with a

democratic and minimum arrangement, we cannot discount the fact that there will be some stalemates. There will simply be stalemates.

[MLADA FRONTA DNES] If we talk about keeping the federation to a minimum, what would you leave to it?

[Carnogursky] Joint defense, foreign policy roughly the same as today, a common currency, common standards for human and civil rights, and a common fundamental legislature. Of course, joint organizations, a joint president, government, and so on.

[MLADA FRONTA DNES] If the separatist streams won and came to power in Slovakia, what would you do? Would you go into the opposition or would you emigrate?

[Carnogursky] I would not emigrate. I would probably not be in the government.

Social Democrats Lament Drop in Production

AU1607133291 Prague CTK in English 1935 GMT
14 Jul 91

[Text] Prague July 14 (CTK)—The Central Executive Committee of the Czechoslovak Social Democratic Party (CSSD) approved today a statement expressing concern over a roughly 20 percent decline in production in the Czechoslovak economy since economic reforms were launched January 1, 1991.

The statement, provided to CTK by a CSSD press spokesman, says the drop in production has led to an increase in the unemployment rate, now approximately 300,000 out of a total population of 15.6 million. In some regions, the rate of unemployment is as high as 10 percent, according to the CSSD.

"The CSSD appeals to the government to use its current enormous budget surpluses to increase domestic demand, and to finally direct attention towards stimulating the economy and bringing a halt to the growing deterioration of our people's economic status".

Political Impact of KDU's Split Considered

AU1707092391 Prague MLADA FRONTA DNES
in Czech 11 Jul 91 p 2

[Tomas Marek commentary: "Future in Ruins"]

[Text] The divorce of the Christian and Democratic Union [KDU] marks the end of an era in Czech politics. By yesterday, virtually all electoral formations that could split had split. Now we are left solely and exclusively with individual parties or movements.

For an outside observer, the KDU's last days, when the Czechoslovak People's Party [CSL] and the Christian Democratic Party [KDS] each set out on their own path, was caused by the unilateral act of the CSL, which had the name as the electoral coalition KDU registered with the [Czech] Interior Ministry. A snag appeared in the KDU statutes, whereby each participating party delegated to the

KDU leadership one person per 10,000 party members. This meant that the CSL would have had 10 representatives in the KDU leadership, while the KDS would have had only one representative delegate. [KDS Chairman] Vaclav Benda and the KDS leadership viewed this as an attempt to gain control over their party. This led to a decision, the significance of which is far greater than might seem—the KDU's days as an electoral coalition are numbered, and the name KDU has become a name for something that the CSL will invent.

It is, however, difficult to accept the explanation that the unfortunate registration of the name KDU was the true reason for the divorce between the KDS and the CSL. That would be an all too bizarre assumption. Rather, the divorce is a reflection of disagreements between the two parties that have been growing for some time, with the KDS evolving increasingly in the direction of a conservative right-wing formation, while the CSL—undoubtedly under the pressure of the membership base—often expressly upholding the positions at the center of the political spectrum. According to observers, conflicts in personal relations between individual politicians date further back. At any rate, now they have come into the open, accompanied by the explosion of the breakup of the joint club of deputies.

Whenever something collapses, room for something different appears on the ruins. By the same token, the ruins of the KDU may also help accelerate the integration of the right wing into a single and very strong formation. While the CSL was never enthusiastic about the prospect of such a formation, statements by KDS Chairman Vaclav Benda have for some time contained the seeds of the promise that his party would not be opposed to such an integration process. Moreover, at yesterday's news conference, Vaclav Klaus, chairman of the Civic Democratic Party [ODS], declared that "the ODS is in favor of integrative tendencies and, as the quantitatively largest [right-wing] party, it offers to play the role of integrator." The leadership of the Civic Democratic Alliance [ODA], too, driven undoubtedly by the approaching date of the elections, in which ODA's chances would not be too good if it tried to proceed alone, no longer approaches the idea of unification with the ODS as negatively as it did on several occasions in the past.

Therefore, it seems that the path toward the integration of the right wing is opening up. The KDU's breakup will possibly only accelerate a process that might otherwise have required incomparably more time.

Plans For Export of Agricultural Surplus Reviewed

AU1607154991 Prague CESKE A
MORAVSKOSLEZSKE ZEMEDELSKE NOVINY
in Czech 15 Jul 91 p 4

[Stanislav Cech report: "How To Deal With the Agricultural Surplus"]

[Text] The Federal Foreign Trade Ministry was asked for assistance in dealing with the marketing of agricultural surpluses in the second half of the year. Original expectations set beef surplus at 200,000 tonnes of live weight. It was adjusted to 234,000 tonnes in the end. As of now, contracts have been signed to export 42.3 percent of this surplus. The Federal Foreign Trade Ministry, in cooperation with the republic ministries of agriculture and the Federal Economy Ministry, is negotiating exports of the remaining 130,000 tonnes of live weight, on the one hand with the Italians and on the other hand in the form of barter trade with Middle East countries and North Africa. An acquisition group will travel there in the future to make the appropriate arrangements.

The surplus of dairy products is approximately 40,000 tonnes. As of today, preliminary contracts provide for exports of approximately 24,000 tonnes of butter. Exports of the remaining 16,000 tonnes are currently being taken care of by further acquisition operations, particularly in cooperation with the stock-holding company, Koospol.

The original prediction of a 1 million tonne surplus of cereals was raised to 1,460,000 tonnes. This situation is the most complex because exports of only 50,000 tonnes were confirmed. Another 450,000 tonnes are being negotiated in barter trade with the USSR, but the necessary items from the other side have not been found to complete the deal so far. It seems that material reserves will have to be used to cover the necessary time period.

The last item was the approximately 140,000 tonnes of rape, or rather, of the rape seed. There does not seem to be any serious interest in the rape seed. There may be interest in rape-seed oil. Thus, it is assumed that we will manage to process the rape, and then the oil could be exported.

Minister Kubat Responds to Pithart Claims

LD1707081291 Prague Ceskoslovensky Rozhlas
Radio Network in Slovak 2000 GMT 16 Jul 91

[Text] Czech Minister of Agriculture Bohumil Kubat, in connection with the recent call for his resignation by the Czech prime minister, said that he sees the entire affair as a leftist attack. In an interview given to a CTK correspondent, he expressed a belief that the Civic Movement—and namely Petr Pithart—have become aware of the fact that the Civic Democratic Party is very strong in the agricultural sector. He said that the Czech prime minister, together with the Agrarian Party led by Frantisek Trnka and the Czechoslovak Socialist Party where former Minister of Agriculture ("Rudolf Kutnar) is most active, are trying to win the agricultural community over.

Bohumil Kubat also said that the situation in agriculture is complex, but not any more complex than that in the mining industry, metallurgy, or the military industry.

Officials Discuss Gabčíkovo Project With Hungary

AU1607133591 Prague CTK in English 1546 GMT
14 Jul 91

[Text] Bratislava July 14 (CTK) - Delegations from the Czechoslovak and Hungarian governments are meeting here today and tomorrow to negotiate the fate of the controversial Gabčíkovo-Nagymaros hydroelectric plant on the Danube River.

The current round of negotiations was called by Czechoslovakia after the two sides failed to reach agreement on the issue during talks April 21-22 in Budapest.

Slovak Forest and Water Management Minister Viliam Oberhauser told CTK the Czechoslovak position is clear and firm: finish construction of the dam according to its 1977 agreement with Hungary, and put into operation.

If the two sides cannot reach agreement, he said, then Czechoslovakia is prepared to go ahead without the Hungarians, finishing the dam on the Slovak side in Gabčíkovo.

Slovak Premier Jan Carnogursky said after visiting the construction site recently that it is 80 per cent completed, and that what is already built cannot be destroyed. Preventing environmental damage at this point requires that the project be completed, he stated.

Eurochain, a Czechoslovak-based group of environmental activists from Czechoslovakia, Hungary and Austria, has occupied the construction site since July 4, blocking the feeds to the canal and the Hrusov reservoir.

The Gabčíkovo-Nagymaros twin dam project was signed into being by the governments of Czechoslovakia and Hungary in September 1977. Building began on both sides in May 1978, but in February 1989 the Hungarians called for negotiations on the project. The outcome was a protocol for construction to be speeded up so the dams could start power production 15 months ahead of the originally agreed-on schedule.

Three months later the Hungarian Government told the Czechoslovak ambassador in Hungary it was stopping work at Nagymaros for two months. Under pressure from domestic environmental groups, Hungary announced in August 1989 that it was pulling out of the project on the Slovak side as well.

Czechoslovak officials say to accept Hungary's unilateral breach of the agreement and demolish what has already been built would mean writing off all expenses incurred so far, plus the electricity which would otherwise be produced, amounting to a total loss of over 20,000 million korunas (666.7 million dollars).

Carnogursky, Madl Comment

LD1607143291 Prague Federal 1 Television Network
in Slovak 2025 GMT 15 Jul 91

[Excerpt] Talks between Czechoslovak and Hungarian governmental delegations on progress in the construction of the Gabcikovo-Nagymaros hydroelectric project ended in Bratislava late this afternoon. Agreement between the two sides was reported by the Czechoslovak television news bulletin, which carried the final communique. After Jan Carnogursky read it, representatives of both delegations were showered with questions at a news conference.

Asked by Slovak television if the requirement to form a tripartite commission to reevaluate the proposals of the Hungarian and Czechoslovak sides was merely a tactical device and if the Hungarian side is at all willing to agree on a compromise and on a possible completion of the hydroproject, the Hungarian government representative Ferenc Madl said:

[Begin recording] [Madl in Hungarian with superimposed Slovak translation] No, this is not a tactical device. Just the agreement of the Hungarian side that this kind of a commission should come into being is proof of the willingness to reach an agreement. [end recording]

However, Ferenc Madl emphasized that Variant C, which by changing the flow of the Danube could cause a breach of intergovernmental agreements on state borders, is unacceptable. However, he emphasized that the Hungarian delegation did not arrive at the talks in Bratislava with an unequivocal and unchanging stance to halt any kind of construction and to repudiate the agreement.

This round of talks was not the last one. In September, it will be decided when and how talks should be continued.

This is what the Slovak prime minister said when asked if the Hungarian proposal to build a network of gas-powered turbines in Slovakia as a replacement for the hydropower station was also discussed at the talks.

[Begin Carnogursky recording] What I want to say is that we regard the possibility of introducing gas-powered steam generators as separate from the Gabcikovo-Nagymaros issue. In fact, we count on it in the future, since it is a technology that will make better and more effective use of our existing gas supplies. Although the Hungarian side generally links it with the Gabcikovo-Nagymaros issue, we do not see this connection. We do not see any direct connection. [end recording] [passage omitted]

Germany Extends Loan Repayment Deadline

LD1707040991 Budapest MTI in English 1710 GMT
16 Jul 91

[Text] Bonn, July 16 (MTI)—A standby loan of 500 million DM given to Hungary by Germany had its repayment deadline extended by a year, in Frankfurt on Tuesday.

Frigyes Harshegyi, vice-president of the National Bank of Hungary, told MTI that the Antall government had applied to Bonn for a standby loan in June of last year. Once the go-ahead was given, this was realised in a transaction between the National Bank of Hungary and Deutsche Bank, Germany's largest German Commercial Bank, for the period of a year, with a 90 percent guarantee from the German state.

The 500-million-DM standby blanket loan serves to shore up the Hungarian hard currency reserve positions. It can be called upon at any time, and constitutes assistance and a financial fall-back to solve possible finance market problems.

"With the extension, the German government wishes to signal that it continues to back the Hungarian economic course, and that, in particular, it is intent on assisting the policy of the National Bank of Hungary, implemented in the interest of the country's credit capacity and solvency," Harshegyi said.

The vice-president reaffirmed that there were no problems between the Deutsche Bank and Hungary. In early June, reports quoted Hilmar Kopper, president of the Deutsche Bank who, at that time, was visiting Japan, as saying that the bank does not wish to give Eastern Europe loans if there is no clear progress in economic reform, and if political and economic uncertainty prevail. According to Harshegyi's information however, these remarks were made with exclusive reference to the Soviet Union.

Communique Issued on Gabčíkovo Dam Project

LD1607175491 Budapest MTI in English 1933 GMT
15 Jul 91

[Text] Bratislava, July 15 (MTI)—No agreement was reached at the Czechoslovakian-Hungarian inter-governmental talks on the Gabčíkovo-Nagymaros twin-dam project in Bratislava on Monday. The delegations were headed by Jan Carnogursky, Slovakian prime minister, and Ferenc Madl, Hungarian minister without portfolio.

Nevertheless, Ferenc Madl did not describe the negotiations as unsuccessful at the evening press conference, given the new proposals tabled by both sides. According to the joint communique on the talks, the Czechoslovakian delegation proposed setting up a trilateral committee of representatives from Czechoslovakia, Hungary and the European Communities to examine the alternative solutions submitted until July 31. The various variations would be judged in a complex manner, with emphasis to be placed on the resolution of ecological problems, the communique says. The

Czechoslovakian negotiating party stressed it can only accept a version that makes it possible to put the Gabčíkovo barrage into operation.

The Hungarian delegation was pressing for the abandonment of the barrage system through the abrogation of the 1977 inter-state agreement by mutual consent, and made a proposal for co-operation in solving the related ecological, navigational, flood control and energy problems. For the joint exploration of environmental hazards, the Hungarian delegation proposed setting up a professional-scientific committee, with the simultaneous suspension of works on the Czechoslovakian side.

The delegation agreed to inform their governments and parliaments about their proposals, and to notify each other of their position related to the setting up of the committee through diplomatic channels by September 15, after which a further round of inter-governmental talks could take place.

In this way, the two countries continue to be sharply divided as to the completion or abandonment of the Gabčíkovo power plant. Both delegations are proposing to set up a joint committee. According to Hungary, this committee should be bilateral and designed to survey the ecological hazards. The Czechoslovakian side proposes involving representatives from the European Communities, but it also concentrates on the environmental considerations.

Addressing the news conference, Ferenc Madl emphasized that the Hungarian side would consider it an extremely unfriendly move and a gross violation of international law if the Czechoslovakian side carried out the so-called 'C' version, according to which the Danube bed would be partially channelled onto Czechoslovakian territory in the wake of the unilateral Czechoslovakian construction of the works.

Kadar Assesses General State of Economy

AU1707101691 Budapest UJ MAGYARORSZAG
in Hungarian 13 Jul 91 p 6

[Interview with International Economic Relations Minister Bela Kadar by Jozsef Peter; place and date not given: "Hungarian Imports Are Already Liberalized—Loans and Tax Concessions Are Known Notions in a Market Economy"]

[Excerpts] [Peter] Mr. Kadar, what kind of tasks did the Ministry of International Economic Relations have to face due to the change of regime in the past year?

[Kadar] Two basic pillars—the change of economic model and the change of focus in foreign economic relations—fall directly under the jurisdiction of our ministry. The first one means that we have to establish the institutional framework of a market economy in

place of a reformed and modernized planned economy. Opening to the world economy, setting up world economic trade and financial norms, a competitive environment, and suitable economic institutions are some of the foundation stones of this process. As a result of the change of focus in our foreign economic relations, Hungary will have to return to its thousand-year international economic ties, which basically, but not exclusively, means Western Europe. [passage omitted]

[Peter] What would be the ideal level of foreign capital influx in the case of Hungary? [passage omitted]

[Kadar] In my opinion, capital import at the level of 5 to 6 percent of our GDP would be ideal in the case of Hungary. This would amount to some \$2 billion a year, and we have reached half this amount so far. One of the reasons we need the world Expo is because it would accelerate this process.

[Peter] What factors influence a country's ability to absorb capital?

[Kadar] Basically, three factors, namely the institutional system, the economic condition of the country and the world economy, and the long-term specialization ability of the given economy. As for the institutional system, it is obvious that a market economy is capable of absorbing and utilizing foreign capital much more efficiently than a planned economy. Today, with respect to the institutional system, Hungary is a more promising partner for Western investors than its neighbors. However, our short-term economic prospects are not good. Foreign capital does not willingly enter a country where the domestic market is contracting and exports are not expanding dynamically. Of course, it is not that the stagnation in Hungary just began; it started some 12 years ago, and a recession started in the autumn of 1989. However, Western analysts do their calculations together with us. Therefore, they know that a revival of the Hungarian economy is expected at the end of 1992 or the beginning of 1993, and there might even be a boom by the end of 1993, providing we do not ruin our possibilities using our legendary ability to destroy our position. Good investment usually begins when there is relatively little pressure in the economy, and it finishes when the products of the new projects can fully enjoy the advantages of the boom.

The interest shown by foreign investors also depends on the factors a given country can offer that would attract an increased demand either on the domestic or the foreign market. In the case of Hungary, we can only talk about world market demand because our domestic market is too small for large companies. The question is whether Hungary can produce competitive products that the world market wants. It is well known that our natural resources are scarce. We do not have any comparative natural geographical advantages, other than agriculture, food production, and thermal waters. However, Hungary has advantages as a result of its economic geographical

situation, because it lies at the crossroads of the East-West and North-South trade flow. Another factor certainly also advantageous for Hungary is that the boundary of European market economies has shifted toward the East in the past year, and it lies somewhere along the river Vistula and the Carpathians. Therefore, Hungary could become an outpost for the large international enterprises that operate in this area and that are seeking a country from which they could best approach the Eastern European market. We hope that they will choose us. [passage omitted]

[Peter] What can those Hungarian enterprises do that staked everything on one card, namely on their trade with the Soviet Union?

[Kadar] From cooperation to bartering, they have to seek out all possible variations to maintain the company links formed in the last decades. At the moment, it would be hard to predict the number of remaining links. I would still like to mention some data in relation to this. Hungarian exports to Eastern Europe amounted to 1.8 billion transferable rubles and approximately \$250 million in the first five months of 1990. In the first five months of 1991, the same trade figures were 480 million rubles and \$460 to \$470 million. We can calculate the difference: 1.4 billion rubles disappeared, and \$200 million were added. This year, we have to reckon with the possibility that, contrary to our forecasts, the reduction of our exports to Eastern Europe will exceed even 50 percent. [passage omitted]

[Peter] As far as I understand, even in the government, opinions differ on the question of whether to help these enterprises or to leave them on their own.

[Kadar] Deciding what to do is indeed one of the greatest dilemmas of Hungarian economic policy. Should it wait for luck and finance these companies until normalization starts in the Soviet Union and the ability to pay improves? According to another opinion, these enterprises should be left to cope on their own, and they can vanish if they use up all their reserves. I have even heard someone say: Let the devil take the hindmost! However, it is not as simple as that because there are some valuable technical and human cultures here. If we leave these enterprises to their own devices, without any development and investment, they will never be able to manufacture products that satisfy the Western level of demand. They will disappear and that affects human lives, too. [passage omitted]

[Peter] What prospects do we have for the future?

[Kadar] In spite of the difficulties, all our serious negotiating partners acknowledge that Hungary managed to get through the past year with the least losses among the countries that are our historical companions. Although our situation has deteriorated during the past 12 months, the extent of this deterioration was smaller and our progress was greater than in the case of our neighbors. That is, we managed to preserve our leading position with relatively small losses. The trend of deterioration will probably last for

another one to one and a half years. Of course, much depends on the behavior of our society, the wisdom of the government's policy, but most of all, on the attitude of those who play a role in the economy. I am convinced, though, that we will be able to close this period by the end of 1992 once and for all. [passage omitted]

[Peter] What can be expected from domestic conditions? Everyone expected inflation to get out of hand this year.

[Kadar] Inflation has indeed increased suddenly; it increased from 17 percent to 28 percent in 1990, and we can expect it to increase to 35 or 40 percent in 1991. Why is it so much though? The reason is that our trade with the East collapsed this year, and it is now that we changed over to a new system of payments and accounting. This year, we pay \$140 for a tonne of Soviet mineral oil, whereas we paid 98 rubles in 1990. Everybody knows the upward effect this has

on prices. However, we should be comforted by the fact that there will not be such a jump in prices in 1992. Since the new government took office in Hungary, we have reduced state subvention at an extremely high speed; it amounted to 13 percent of our GDP before, and this proportion will go down to 7 percent this year. Privatization, decentralization, and import competition are just starting. All this will have a downward effect on prices. Naturally, inflation also has psychological components, and it is hard to put these into figures. What does this mean? Last year, there was a lot of talk about the government's dilettantism and unsuitability, and people were overtaken by a mood of "living for the day only." They consumed things whenever they could. We have to put an end to this; people can trust the future because the opposition's crosswind will only increase inflationary expectations. If I were a gambler, I would happily bet on our success because this battle can be won and we must win it.

Bielecki Interviewed on Armed Forces

AU1707090991 Warsaw POLSKA ZBROJNA in Polish
10 Jul 91 pp 1, 2

[Interview with Prime Minister Jan Krzysztof Bielecki, by Janusz B. Grochowski; place and date not given: "The Army Should Be a Healthy, Professional Foundation for the State"]

[Text] [Grochowski] My question might sound paradoxical, but many people who are aware of the problems connected with national defense are asking whether Poland needs an army. Can Poland afford to maintain one?

[Bielecki] Poland must afford one. In today's times, a sovereign country has to have an army. The Army is part of our defense concept. Any doubts about that are solely the result of the enormous problems we are experiencing.

[Grochowski] What do you think the Army should be like?

[Bielecki] Like everything else in this new country. It is more important for the Army to be professional than apolitical, which would be fictitious, and fiction is what we are finally leaving behind. What we need is an efficient, highly professional army, with suitable equipment, for the use of which high qualifications are required.

[Grochowski] But professionalism costs money, and as far as you know, your government is seriously short of cash.

[Bielecki] At the moment, yes. I can even say that Poland can afford nothing right now. We are at the bottom of the abyss, and at the worst time. The problem is made even worse by certain domestic and foreign circumstances. But this will change. For the time being I am compelled to say something very sad for the Army, though I do not think the Army will interpret it that way. An army in a democratic state cannot be an island. Things cannot be good in the Army if the country is lame and infirm. If things were good in the Army, it would seem that the country is heading toward authoritarianism.

But in an efficient democratic country there is also room for armed forces, and a worthy place for soldiers, which no one doubts.

[Grochowski] One can turn around what you said. It is not just the Army that should understand the country's problems, but also the country that should understand the Army's problems. I have the impression that is not the case.

[Bielecki] Indeed there is a lack of communication between the Army and politicians, or this communication is not as good as it should be. That applies to other spheres as well, by the way. During this time of change there are a lot of slogans and superficial conduct. Today one likes the Army, before one did not. Hard work is

needed so that the country may understand the Army's problems. Ideas have to be presented and contact with the population maintained every day, not just on holidays and graduation ceremonies.

[Grochowski] Exactly. It seems the Army needs not just a large amount of approval, but genuine support as well.

[Bielecki] Everyone wants to feel needed and important, everyone wants a place for himself where he feels he can do something for the country. Right now times are very hard and this feeling is weak. That is why I have spent such a long time discussing Army prospects with the generals. Everyone has to have a feeling of certainty for the future, but even more so the Army, whose members' lives are regimented not just for eight hours, but for 24. A civilian can put in a day's work and derive pleasure from it, and then go home and devote himself to his hobby or undertake extra employment. A military man must derive pleasure from the fact that he serves in the Polish Army.

[Grochowski] The lack of these prospects, and hence the bad mood in the Army, is the result of an absence of decisions about the Army's future. Can one finally expect these decisions?

[Bielecki] The Council of Ministers has finally called for concrete solutions concerning defense doctrine and the Army's adaptation.

[Grochowski] One of these solutions, of which a lot is being said but to no visible effect, is the appointment of a civilian defense minister.

[Bielecki] I think the appropriate government draft legal amendments will be ready during the week, and we will place them before the Sejm in the middle of July. I have just heard that the Sejm and Senate are not taking a summer recess, so at the end of July or beginning of August there should be a legal basis to appoint a civilian defense minister.

[Grochowski] The Army would like to be a factor that stabilizes the domestic situation, but this will only be possible when it ceases to be a subject of political scheming. Does your government intend to protect it from that?

[Bielecki] I fear I have protected it too much from all kinds of influence, because my first working contacts were with Army representatives.

[Grochowski] You are now speaking as leader of the Liberal-Democratic Congress?

[Bielecki] Yes. Therefore we cannot say that we are seeking some kind of political link. The Army should be the state's healthy, solid foundation, and it would be a good thing for the election campaign to stay out of it, for this is going to be a sharp campaign.

[Grochowski] Prime minister, I know it is difficult to be optimistic during this difficult period, but since the government talks on defense matters do you not see any rays of hope?

[Bielecki] There is a desire to hold dialogue, and that gives grounds for optimism, and as long as people want to talk to each other, things are not so bad. All is not lost yet. The worst things are apathy and indifference, because then the essential link with people is missing. We are not doing all this for ourselves, in order to satisfy our ambition, but because we think democracy and a market economy are what we need in Poland, and quickly.

Nevertheless, it is difficult to be optimistic, which may be an odd thing to say three months before the elections, when the voters should be made to feel happy, but I think that the more difficult the situation, the greater the need to tell the truth and present an honest stance, and not apply demagoguery and make attractive promises. Life and time flow quickly by and a failure to fulfill promises is the worst that can happen. Therefore I think it is very important to fulfill what one says concerning the Army and life in general, and not by means of tricks like printing money that has no backing, but by means of a real improvement in the standard of living of soldiers and an increase in their feeling of security, which they need very much.

[Grochowski] I understand your government perceives the Army's problems.

[Bielecki] Our task is not just to perceive problems, because that is relatively easy, but also to try to solve them, and I wish to make it clear we can only do so to the best of our ability, the ability of a country that is absolutely in the worst moment of its history at least since the war, and probably since the 18th century. Right now we are answering the challenge of joining Europe, and the point is not to heal complexes, but to create an efficient state, introduce profound economic democratic processes, and heal the economy. And that is an enormous task.

Cabinet Examines Changes in Army Command

LD1707101491 Warsaw PAP in English 2234 GMT
16 Jul 91

[Text] Warsaw, July 16—The cabinet examined on Tuesday a draft law on changes in the principles regulating the national defence system and the command of armed forces, which are to start a process of fundamental transformations in that sector.

Under the draft, the National Defence Ministry would be run by a civilian minister, while the armed forces are to be commanded by a professional military, that is the chief of the general staff—general inspector of Polish Armed Forces. The latter will be appointed and recalled

by the supreme commander of armed forces, that is the president of the republic at the motion of the minister of national defence.

The minister of national defence will be at the same time a deputy chairman of the National Defence Committee, while the chief of the general staff will be a permanent member of the committee.

Some fundamental amendments will also be introduced in near future in the law on the universal duty of defence.

The cabinet approved a draft law on creating the office of the minister of public administration and the chancellery of the Council of Ministers. The new office would combine the prerogatives of the minister supervising public administration with those of the internal minister and hence cover internal security, police, fire brigades and border guards.

Secret service (intelligence and counter-espionage) will be subordinated to the office of the protection of the state which in turn will be subordinated directly to the prime minister.

The new minister will coordinate the cadres policy for public administration and investments in this sector.

Also on Tuesday the cabinet adopted some executive regulations concerning the management of land and expropriation. Lands that were used by the Soviet troops so far will be subject to the same regulations as other state treasury-owned lands.

The cabinet adopted a regulation under which the employees of the Polish diplomatic and consular missions will get 25-percent pay rises.

During the Tuesday meeting the prime minister asked the internal minister to present proposals of emergency measures to counteract smuggling that accompanies the growing tourist traffic on Poland's eastern border.

Each month some 600-700 thousand persons cross Poland's eastern border and cooperation between the Polish and Soviet customs officers is far from satisfactory. Over 65,000 litres of alcohol were confiscated from tourists during less than a month time.

Parties Jockey for Position in Election Lead-Up

LD1707102291 Warsaw PAP in English 2328 GMT
16 Jul 91

[Text] Warsaw, July 16—Press spokesman of the Solidarity National Commission Andrzej Adamczyk said on Tuesday that the union's decision not to enter any electoral coalitions is final.

In another development, a coalition was formed in the central provincial city of Kielce by the Citizen's Committee of the province, the Centre Alliance (PC), the Solidarity Polish Peasant Party, and the Solidarity Trade Union of Private Farmers.

In Warsaw, an electoral alliance of the Democratic Left was formed on Tuesday by the Social-Democracy of the Polish Republic, the Democratic Left parliamentary caucus, the National Committee of the Independent Polish Socialist Party, the Democratic Union of Women, the Polish Socialist Youth Union, a Committee for the Defence of the Jobless, and several other political organizations and trade unions.

The Confederation of Independent Poland (KPN) announced it would name its candidates for deputies and senators by the end of July.

The peasant parties' national electoral committee representing the Polish Peasant Party PSL, the Solidarity Polish Peasant Party and the Solidarity Trade Union of Private Farmers failed to arrive at joint conclusions as regards the functioning of its local election committees, but is expected to meet again on Wednesday.

Politicians on Election Link With Solidarity

AU1707092491 Warsaw RZECZPOSPOLITA in Polish 13-14 Jul 91 p 1

[Report signed "Mo.S.": "Not Everything Is Clear Yet"]

[Text] Despite the events of 11 July—the Sejm's rejection of the president's draft election code and the "Solidarity" National Commission's decision to run in the parliamentary elections—the pre-election political situation is still not clear. An official reaction from Lech Walesa to the Sejm's decision can be expected over the weekend, and the National Commission's decisions have been described as a "door left open."

The Center Accord and citizens committees have firmly approved an election coalition with "Solidarity," and the Democratic Union and "Working Solidarity" have said they might enter into a coalition with it. The opinion that "Solidarity" is the key to the elections is not devoid of reason.

But the Union has said it wants to run in the elections independently.

Stanislaw Rojek, Center Accord: "From the very beginning we have counted on an election coalition with 'Solidarity,'" because that could be a way of integrating the pro-reformist majority. The Union has decided to go it alone, but the National Commission's decision does not rule out the possibility of a coalition with other parties. I think there is still enough time for talks and decisions, especially because the National Commission has kept its doors open without putting a dot over the i. There are close links between the Center Accord and "Solidarity" in many areas, and we think they will be maintained. We confirm the need to create a strong pro-reformist presidential camp that includes the Center Accord, citizens committees, a part of "Solidarity," and the part of the peasant movement that has not been disgraced. According to our research, such a political bloc

could win at least 30 percent of the votes. We reckon that 70 percent of the citizens committees and half of "Solidarity" will vote for us."

Slawomir Siwek, Presidential Chancellery: "I expect an official reaction from the president to Thursday's Sejm decision soon. As far as the National Commission decision is concerned, I do not think it is final. The Union should remain a union, but in the present situation forming one's own list of candidates could cause enormous confusion in "Solidarity," which has other problems to deal with."

Janusz Lewandowski, Liberal-Democratic Congress: "The National Commission's decision is not a surprise to us, though certain details have not been decided. As liberals, we see open prospects for all political groups. However, one does not know whether in the plan to create a democratic market economy and party system there is room for a purely trade union parliamentary representation, although there are cases of trade union movements giving birth to political parties."

Democratic Union Leaders Give Election Views

AU1607175991 Warsaw RZECZPOSPOLITA in Polish 12 Jul 91 p 2

[Malgorzata Subotic report: "The Pact Is Still Valid"]

[Text] The Democratic Union accepts the Liberal-Democratic Congress proposal about collaboration between post-Solidarity groups in the Senate elections, and calls for an end to suggestions that the Union is in league with post-communists, the leaders of the Democratic Union told journalists on Friday.

"If the autumn elections turn out to be nothing more than a second round of the presidential election, the entire 'Solidarity' camp will lose," warned Union Deputy Chairman Aleksander Hall. "Poland does not need a plebiscite on the president's position and achievements, but a genuine election that will permit the formation of a strong government."

According to Tadeusz Mazowiecki, the Liberal-Democratic Congress idea about the collaboration of post-Solidarity forces in the Senate election campaign corresponds to the non-aggression pact previously suggested by the Democratic Union. Aleksander Hall described it as a "good suggestion." The Union's regional branches are to hold talks on the possibility of election coalitions.

On the other hand, there is no question of any coalition in the election campaign to the Sejm, which should be a genuine competition between parties and their programs. The Union leaders warned that if the election campaign degenerates into a slandering match, it will not be possible to form any alliance in the new parliament. "And opinion polls indicate that no group will be strong enough to form a government on its own," Hall observed.

"Suggestions that the Union is secretly in league with postcommunist forces is part of the brutal political contest before the elections," said Union leader Tadeusz Mazowiecki. "Has no one learnt anything from the presidential campaign, which almost ruined everyone?" he asked, noting that there was still time to turn back from this road.

Mazowiecki said the Union welcomed the government's decision not to apply for special powers, but he also expressed regret that such a concept, which would have virtually eliminated parliament altogether, had ever appeared in the first place. Aleksander Hall said that Prime Minister Bielecki's announcement of the start of political consultations is close to the proposals of the Union—an attempt to reach an accord so that the election campaign does not cause an escalation of aggression that would destroy the reforms.

SDRP Leaders To Seek Parliamentary Seats

LD1607110991 Warsaw PAP in English 2218 GMT
15 Jul 91

[Text] Warsaw, July 15—Leaders of the post-Communist Social-Democratic Party, SDRP, Aleksander Kwasniewski and Leszek Miller announced on Monday that they both will run for parliamentary seats in the upcoming elections.

Kwasniewski and Miller were taking part in a meeting with SDRP activists from 11 north-western provinces in Bydgoszcz at which they discussed the party's preparations for the election.

The SDRP leaders said that by the end of August their party would disclose its electoral programme which, it is already certain, will include such postulates as struggle for a democratic, multi-party parliamentary system that would recognize the will of majority and respect the right of minority, for such a free market that would take care of the working people, and reasonable, partner-like international relations, especially with the Soviet Union and Germany.

Social Movement Leader on 'Super' Government

LD1707081891 Warsaw PAP in English 2139 GMT
16 Jul 91

[Text] Warsaw, July 16—Zbigniew Bujak, leader of the Democratic Social Movement said here on Tuesday that his party intends to form in future a government "composed of best specialists, stalwart people of great possibilities."

"Our party would give such a government its strong political support born out of social approval of our programme," Bujak declared at a meeting of workers from the Wola district factories.

Bujak, rallying supporters at the start of the general election campaign, claims that "none of the parties existing in Poland is able to form a representative government exclusively of its own people. Those who say otherwise show a lack of responsibility. This would lead straight to a "government of colleagues" in which a group of friends would distribute portfolios among themselves," Bujak warned.

"In these difficult, historical moments which determine our existence for the coming decades Poland needs a super government formed of first-rate people," Bujak said.

'Invasion' of Traders From USSR Reported

AU1707112291 Warsaw GAZETA WYBORCZA
in Polish 11 Jul 91 p 1

[wer] report: "Traders From the USSR"]

[Text] Colonel Zbigniew Skoczylas, government plenipotentiary for refugee affairs, told GAZETA WYBORCZA yesterday that "a total of 837,887 Soviet citizens entered Poland in June, and about 60,000 fewer than that left Poland. Every month, Soviet citizens take about \$80 million out of Poland."

In January, 252,271 Soviet citizens came to Poland, and that number has been systematically rising since the beginning of the year. Every day as many as 100,000 of our neighbors from the East arrive in Poland. On Monday, for example, 23,000 entered the country and 21,000 left. On weekends the volume of traffic at our borders is much higher—up to 40,000 enter the country every day.

According to Colonel Skoczylas, there has been an invasion of traders, but the predictions about a massive influx of illegal workers have proved false. It was expected that millions of people would arrive from the east to look for illicit work over the summer, but Colonel Skoczylas estimates that there are only between 20,000 and 30,000 of them.

On the other hand, the drain on the convertible currency market is a serious problem. Soviet traders use the money that they make from selling goods to buy dollars in Poland, and then take that money out of the country. Of course, all estimates of the sums involved can only be approximate. Colonel Skoczylas talks about 80 million dollars a month on the basis of "the average number of bottles of vodka that the average passenger on a Soviet coach has on him." (At the Dorohusk border crossing point alone, customs officials confiscate about 4,000 bottles of vodka daily).

According to Skoczylas, every Soviet citizen takes between 150 and 200 dollars out of the country.

'Charter for Reform and Democracy' Published

AU1607105291 Bucharest AZI in Romanian
12 Jul 91 p 1

["Charter for Reform and Democracy" adopted by the National Salvation Front, the Romanian Ecological Movement, the Agrarian Democratic Party of Romania, and the Liberal Party-(Youth Wing) in Bucharest on 11 July]

[Text] Emphasizing that the country's profound restructuring and the replacement of the political, administrative, economic, and social structures inherited from the former communist regime with structures characteristic of a democratic and modern society is of national interest at this point;

Aware of the fact that national interests are of priority importance compared with the individual interests of each organization or person;

Convinced of the need to unite the efforts of all constructive forces to solve the major political, economic, and social problems of the current stage; and

Desirous of ensuring the political climate and social peace that is needed in Romania to strengthen democracy and the state of law and to build a modern market economy in Romania,

The initiators:

The National Salvation Front,

The Ecological Movement of Romania,

The Agrarian Democratic Party of Romania, and

The Liberal Party (Youth Wing)

have decided to sign the following

Charter for Reform and Democracy.

This **Charter for Reform and Democracy** is open to all political organizations—represented in Parliament or not—as well as to trade unions and other nongovernmental organizations, to political, economic, social, and cultural figures who wish to become constructively involved—thus contributing through their own efforts and initiative to the complex and dynamic process of building a democratic state and a state of law, to establishing a market economy and an economy consistent with Romania's integration into European structures, and to decisive steps toward Romania's modernization.

The **Charter for Reform and Democracy** forms the political framework for participating in the leadership at the national and local level, with a view to achieving reform and democracy in Romania through the responsible and constructive participation of the signatories—under conditions of full mutual respect—and participation of the signatories in political decisionmaking activities through consultations and periodic assessments.

The signatories to the **Charter for Reform and Democracy** uphold the strengthening of the democratic institutions that guarantee fundamental human and citizens' rights.

They struggle against any signs of extremism—communist or fascist—against chauvinism, and ethnic, religious, cultural or social hatred.

The signatories of the **Charter for Reform and Democracy** support the economic reform program that has been fully and unanimously endorsed by Romania's Parliament and that includes tangible programs aimed at speeding up the transition to the market economy with minimum social and economic costs.

The signatories of the **Charter for Reform and Democracy** will work out and initiate, on the basis of common efforts, specific programs for the democratization and modernization of political, administrative, economic, and social structures, and will coordinate actions in order to consolidate and implement the reform.

The participants in the **Charter for Reform and Democracy** join and coordinate their efforts to:

1. Strengthen the pluralist political system within the framework of the state of law based on the draft constitution, the theses of which have been endorsed by Parliament.
2. Ensure observance of international conventions and treaties regarding fundamental human and citizens' rights.
3. Ensure legislative and judicial control over administrative institutions. Revise central administrative structures and their relations with economic and social agents and with subordinated structures to eliminate bureaucratic blocks.
4. Set up a democratic local administration and leadership system in accordance with the imperatives of democratization and the legitimate right of local collectives to make decisions on their own development process.
5. Build a modern market economy in Romania, while ensuring the protection of social groups who are at a disadvantage.
6. Increase the state's authority in order to build a macroeconomic balance and achieve the necessary conditions for economic growth within the framework of the market economy while guaranteeing private ownership.
7. Eliminate monopoly in the economy and promote market competition between producers as a means to regulate the quantity and quality of products, prices, investments, and the utilization and remuneration of the labor force.
8. Eliminate the state ownership of the economy and implement privatization in accordance with the principles incorporated in the Reform Program by transferring state ownership to the private sector.
9. Encourage a new and viable private sector in the production process and in public services to create new jobs.

10. Give an impetus to and support Romanian entrepreneurs, along with attracting foreign capital to relaunch, restructure, and introduce new technologies into the national economy and guarantee investments.

11. Achieve a modern financial-banking system that will permit an efficient utilization of national economic potential and that will give an impetus to the enterprising spirit of citizens.

12. Retrain, reorient, and redistribute the labor force in accordance with the needs of the market economy and of social justice.

13. Observe—in the process of implementing the reform—the requirements of comprehensive environmental protection.

14. Give priority support to health care, culture, science, and education.

15. Achieve an open and transparent society in Romania in which independent, correct, and objective mass media will contribute to the establishment of an atmosphere of national reconciliation.

16. Support Romania's national interests within the framework of a balanced and dynamic foreign policy.

The signatories of the **Charter for Reform and Democracy** will act toward ensuring social peace and ensuring the dignity of each citizen. They will constantly communicate with domestic and international public opinion to create favorable attitudes of support for our country's reform.

The signatories to the **Charter for Reform and Democracy** fully preserve their political and organizational identity and the unlimited right to political initiative.

The signatories to the **Charter for Reform and Democracy** assume the obligation not to contradict—through their actions—the principles of the present **Charter**.

The **Charter for Reform and Democracy** remains open to any later adherents in keeping with the agreement of the signatories who initiated this **Charter**.

11 July 1991

National Salvation Front—National leader, Petre Roman

Romanian Ecological Movement—President, Toma George Maiorescu

Agrarian Democratic Party of Romania—President, Victor Surdu

Liberal Party (Young Wing)—On behalf of the Steering Committee, Calin Popescu Tariceanu

Pro-Reform Economists League Established

AU1607173991 Bucharest AZI in Romanian
11 Jul 91 p 3

["Pro-Reform Economists League" Set Up at FSN's Initiative]

[Text] At the initiative of the National Salvation Front [FSN], Bucharest's first district, the Pro-Reform Economists League was established on 5 July. It incorporates specialists from all areas of science and economics, such as professors and economists from industry, agriculture, trade and tourism, finance, the banking system, and from other services.

Given the particular complexity of the structural changes implied by the transition to a market economy, and in view of tremendous objective difficulties and contradictory subjective approaches, the need becomes obvious to rally and confront the knowledge and experience of those who, through their specific professions, must establish the contents and priorities of the reform—the economists.

The League proposes to critically examine the progress of the reform, to identify the obstacles it faces, to seek solutions to such obstacles, and to contribute effectively to promoting the main directions of the reform.

Rallying its efforts with those of the institutions and bodies that are directly responsible for the promotion of the reform, the League aims to publicize the contents of laws on the reform among the population by organizing public discussions about them while they are still in the form of draft bills; it also proposes to gather opinions about the implications of the reform, and it wants to propose measures aimed at reducing inevitable costs. At the same time, the League intends to act as a catalyst of the energy, potential, and initiatives of those people who are determined to implement the reform, and it proposes to develop private initiative in all those areas that are a priority due to market requirements. Finally, the League will develop consultations in various areas of a market economy that is in the making; it will oversee the profitable orientation of capital investments and will give an impetus to activities in the area of banking, social security for groups of people who are at a disadvantage, in the area of documentation and scientific information, marketing studies, information science, bookkeeping expertise, and so forth.

The club of leaders of trade societies will also operate within this League, as will the support commission for local administration, and the synthesis and information commission regarding the progress of the reform.

The Pro-Reform Economists League appeals to all colleagues who share its goals to contribute with their experience and knowledge to the promotion of economic reform in Romania by adhering to its program.

The League may be contacted via telephone at: 13 75 10 and 15 75 03, or at the FSN Headquarters, first district, Boulevard Magheru.

We are waiting for you!

Management Bureau of the Pro-Reform Economists League

UDMR Council Publishes Conference Decisions

AU1607120391 Bucharest ROMANIAI MAGYAR SZO
in Hungarian 11 Jul 91 pp 1, 4

[Decisions of the UDMR National Council of Representatives issued in Kolozsvár on 6 July]

[Text] The Democratic Union of Hungarians in Romania [UDMR] is convinced that we have reached a stage in European history in which big power pacts and the use of force can no longer play a role. These are gradually and irreversibly being replaced by a search for consensus based on fairness and justice, on the understanding of honest positions, and on rapprochement, a consensus in which the smaller and weaker sides must also be recognized as historical partners.

In accordance with the aforementioned statement, the UDMR issues the following positions:

1. The UDMR regards as legitimate Croatia's and Slovenia's decisions to establish themselves as free nations and settle their relations with their neighbors as sovereign states.

We condemn the use of force and the efforts aimed at solving political issues by means of military actions. According to our position, this is threatening the basic interests of democracy and the security of Europe, especially that of our region.

The UDMR hopes that a peaceful solution of this conflict will bring us closer to the common Europe to be built on the basis of new security and cooperation principles.

2. The UDMR is concerned about the increase in the deliberate anti-Jewish atmosphere prevailing in Romania.

As is well known, the Jews living in the territory of today's Romania repeatedly suffered a series of acts of genocide, or more or less open discrimination in the course of our century. As a result of all this, the number of this community has dwindled to a fraction.

It is the historical responsibility of the current political leadership in Romania to hinder the efforts of extremist forces that try to make the situation of the Jews in Romania more difficult by carrying out new threats and incitements.

3. The UDMR supports the creation of a Central European national minority forum aimed at creating a joint forum of Hungarian and other national minorities living in the Danube-Carpathian Basin, a forum based on an identity of interests. This platform would endeavor to create the possibilities of cooperation and joint positions at international forums.

4. The UDMR appeals to the Romanian Government, the governing party—the National Salvation Front—and to the opposition parties on the issue of national minorities.

The events of 1989 opened up unparalleled opportunities for the prosperity of our common homeland, Romania, as well as for the settling of the evil national minority relations that have been going on for decades.

We think that, after a short, hopeful beginning, the favorable social and political processes have slowed; that is, they have been halted and have not led to the expected results. The expected progress and radical change have not taken place in our country's general situation. Nor has any change taken place on the national minority issue, in the situation of national minorities.

Aware of all this, as the second largest political force in Romania, at the meeting of its Council of Representatives held in Kolozsvár [Cluj] today, July 6 1991, and referring to the unanimous decisions of its congress held in Marosvásárhely [Tirgu Mures], the UDMR proposes the convening of a national roundtable conference with representatives of the Romanian Government, the National Salvation Front, on settling the national minority issue, and with the participation of opposition parties in the first phase and other political forces and other national minorities in the second phase.

Our reasons are the following:

a. We think that democratic change and progress in Romania and its adjustment to Europe is unimaginable without settling the national minority issue.

b. As a conscious and democratic political force, through our particular efforts, we want to contribute to the renewal and democratic transformation of the entire Romanian society for the benefit of the public at large, by eliminating the extremely harmful national minority conflicts and tensions.

c. We would like to prevent further deterioration in ethnic relations, useless parliamentary skirmishes, and national or local conflicts, confrontations, and useless polemics. We regard dialogue and subsequent fair decisions as the only possible road leading to this.

d. Regarding Romanian-Hungarian relations, given the ethnic and citizenship affiliation of the Hungarians in Romania, we are particularly fit for playing the role of mediators for the benefit of both nations and countries.

We are sending this proposal for a roundtable conference to the aforementioned organizations, and we are also making it public.

If we receive a positive answer from our counterparts, we will discuss at a preliminary meeting the ways and the details of such a roundtable conference. The agenda of such a national conference that will hopefully take place would consist of a mutually accepted package of issues.

In view of Romania's difficult situation and the serious nature of the national minority issues, we expect a prompt answer.

With great esteem and goodwill:

The National Council of the Democratic Union of Hungarians in Romania.

5. As is well known, a CSCE conference on national minorities is being held in Geneva between 1 and 19 July.

The UDMR considers it a political anomaly of our age that our organization cannot participate by sending an official representative to this conference, although the UDMR is the largest ethnic representation body in Europe. We consider it particularly humiliating that the Romanian delegation to this conference also includes a person who is regarded by Hungarians in Romania as a famous extremist and anti-national minority element. In this situation, the UDMR turns to the Geneva Conference with the following appeal.

Appeal to the CSCE Conference of National Minorities in Geneva

At the national conference of its representatives held in Kolozsvár on 6 July, the UDMR—which is the second strongest political organization in Romania and the largest body in Europe that represents and defends national minorities—decided to appeal to the participants at the CSCE Conference on National Minorities currently held in Geneva.

Our particular reason for making this appeal is that not a single representative of our national minority of 2 million people is allowed to participate in the Romanian delegation. As a result, we are deprived of the opportunity to directly express our position at the aforementioned meeting.

The primary goal of our appeal is to ask for the moral and political support of countries in Europe for the dozens of national minorities living in Romania, because anti-minority and discriminatory efforts aimed at depriving the national minorities of their rights still continue in Romania even after the defeat of the communist dictatorship.

We are convinced that the interests of national minorities extensively coincide with the fundamental interests of the majority in the nation and of the entire society and democracy.

In view of the tragic confrontations in Yugoslavia and the increasingly tense national and national minority conflicts in Central-Eastern Europe, we call the attention of European countries and governments to the dangers emerging in the countries of the former Eastern Bloc, dangers that threaten the security, peace, and stability of Europe. In this context, the situation of national minorities cannot be regarded as a simply regional issue affecting individual countries. The fate of all of Europe is at stake. At long last, the time has come to justly settle the chronically unsolved ethnic relations that carry serious dangers.

The UDMR is convinced that this task will hopefully become one of the most important political imperatives of our continent and of the whole world by the turn of the century.

We need an internationally-accepted, comprehensive system of national minority rights and guarantees that

stipulates both individual and collective human rights. We demand the formulation of a system of international norms that will both guarantee and supervise the implementation of these rights.

Kolozsvár, 6 July 1991.

Statistics on Growth of Joint Ventures Reported

AU1607112391 Bucharest ROMPRES in English
1040 GMT 16 Jul 91

[Text] Bucharest ROMPRES 16/7/1991—According to sources of the Romanian Agency for Development—R.A.D., in Romania there are at present 4,196 joint ventures, with a nominal capital totalling about 191.73 million dollars. [currency as received]

While before December 1989 there were five joint ventures, in 1990 their number grew to 1,501, and in the first six months of 1991, another 2,651 were registered.

Analysts of the Romanian Agency for Development have estimated that the total number of joint ventures will be of 6,000 until the end of the year, considering R.A.D. daily registers 30-40.

Nastase, Roman Meet Russian Foreign Minister

AU1607194991 Bucharest ROMPRES in English
1733 GMT 16 Jul 91

[Text] Bucharest ROMPRES, 16/7/1991—On his arrival in Romania Tuesday, 16 July, Russian Federation Foreign Minister Andrey Kozyrev was welcomed by his Romanian counterpart, Adrian Nastase, by other officials.

In a statement to the press, the guest said the Russian Federation wished to maintain the links with its close neighbours, with the other countries and that, on this background, the visit to Bucharest was of great importance. "Our dialogue with Romania forms a priority of the foreign policy of the Russian Federation, which does not run counter to the relationships between the USSR and Romania, it enhances them," said Mr. Kozyrev.

In connection with an agreement likely to be concluded between the Russian Federation and Romania, the Russian foreign minister said that drafts of bilateral political, economic and cultural accords would be examined on the occasion.

This afternoon, Romania's Minister of Foreign Affairs Adrian Nastase and the minister of foreign affairs of the Russian Federation Andrey Kozyrev have had a first round of talks.

Visiting Foreign Minister of the Russian Federation Andrey Kozyrev was received by Prime Minister Petre Roman on Tuesday.

Closer Romanian-Russian business relations to overcome the present problems were discussed, government sources said.

The foreign minister's presence in Bucharest comes ahead of Boris Yeltsin's visit to Romania in autumn, the Romanian television said.

Federal

Chamber Seeks Solution to Constitutional 'Crisis'

LD1707045691 Belgrade TANJUG in English
1653 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—The Yugoslav Parliament's federal Chamber should, at its session on July 24, declare itself on passing an election law to enable the holding of multi-party elections for the federal parliament in the entire Yugoslav territory.

Deputy circles inform today that the Federal Chamber might also 'recommend to the constitutional commission to begin preparing documents for a peaceful way out of the constitutional crisis and the future organization of the country.'

The decision that the Federal Chamber convene on July 24 to discuss the 'constitutional and political crises and measures for surmounting them' was taken at today's meeting of parliament President Slobodan Gligorijevic and representatives of the two chambers of parliament and the federal government.

This will be the first session of the Federal Chamber since Slovenia and Croatia took their decisions to recall their deputies from the federal parliament following their unilateral declarations of independence and sovereignty.

Slovenian and Croatian deputies will be invited to attend the session although, even in their absence, the Federal Chamber would have a quorum and its decisions would be valid.

The federal parliament maintains that the three-month moratorium on Slovenia's and Croatia's dissociation from Yugoslavia is binding also on the two republics' deputies to the federal parliament.

Federal Prime Minister Ante Markovic and the ministers of foreign and internal affairs and of defence are expected to address the session.

Mesic Statement on Failed Presidency Session

LD1607222291 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2153 GMT 16 Jul 91

[Text] Brioni, 16 Jul (TANJUG)—SFRY President Stipe Mesic this evening explained in a written statement why the Presidency session was not held today at Brioni. In the statement, Mesic also hints that he has convened a new session of the SFRY Presidency for tomorrow.

SFRY Presidency President Stipe Mesic says the following in the statement:

"The SFRY Presidency session scheduled for today at Brioni by agreement at the last session of Presidency members was not held. The reason why it was not held is failure of the Presidency members from Serbia and Montenegro, who refused to attend a session outside

Belgrade, to arrive. Even efforts of the Presidency members from Macedonia and Bosnia-Herzegovina were fruitless. Since Federal Executive Council President Ante Markovic, the Federal secretaries for national defense, foreign and internal affairs, and the SFRY Assembly President did not come to Brioni, conditions for holding the session were not created."

"Since it is necessary, because of the situation in the country, especially because of the cease-fire and the agreement on the way of the realization of the Brioni Declaration, I have decided to convene the Presidency session for tomorrow on Brioni. I expect all the members of the SFRY Presidency, as well as other Federal officials who are invited, since they are aware of the responsibility for the situation in the country and for the finding of a peaceful solution in the spirit of the agreement with the EC, to accept the invitation for the session. "Only the president of the Republic of Croatia, the president of the Presidency of the Republic of Slovenia, and the member of the Presidency of Bosnia-Herzegovina (since President Izetbegovic is absent) have accepted today's invitation for the session of the presidents of the republics, so this session has not taken place either. At tomorrow's Presidency session, a new date for this session will be proposed," the written statement for the public by SFRY President Stjepan Mesic concludes.

Drnovsek on Presidency Membership Issue

LD1607215191 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2043 GMT 16 Jul 91

[Text] Brioni, 16 Jul (TANJUG)—Officially, I am still a member of the SFRY Presidency and I take part in its work in a way which I believe is the best in the present situation. This was said in Brioni today by Dr. Janez Drnovsek, a member of the SFRY Presidency, in an interview with TANJUG and BORBA journalists.

Drnovsek said that following his resignation, he has reactivated his membership in the top state leadership in Yugoslavia so that a way out of the conflict situation can be found.

Some of my statements, he said, were inaccurately put out among the public, because I never said that I will never again come to Belgrade and Serbia. I did not attend the previous Presidency session because Ljubljana airport was closed and also because after the events in Slovenia it was not all that simple to come back to a Presidency session in Belgrade as if nothing had happened. This is why I thought, said Drnovsek, that at least one Presidency session should be held somewhere else, primarily in Brioni, which in a way is extra-territorial.

Having stressed that he has already explained that he will come to Presidency sessions in Belgrade, if the situation calms down and is normalized, Drnovsek noted that an attempt is now being made to make use of this issue for certain other objectives. He believes that the real reasons for the non-arrival of other members of the collective head of state to Brioni are not to be sought in the dispute over

whether or not he said he was not coming to Presidency session in Belgrade, but he refused to elaborate.

I believe that a full session of the SFRY Presidency must take place, Drnovsek said, adding that Slovenia wants to take part in the talks with others as an equal partner, but not to accept, as he put it, the Presidency voting machine in which the votes are distributed unequally.

Jovic Explains Absence From Brioni Session

AU1607161991 Belgrade Radio Belgrade Network
in Serbo-Croatian 1430 GMT 16 Jul 91

[Interview with Borisav Jovic, member of the SFRY Presidency from Serbia, by Milorad Komrakov on 16 July—recorded]

[Text] Esteemed viewers, the time now is 1430 [1230 GMT], and we are in the office of Comrade Borisav Jovic, member of the SFRY Presidency. Comrade Jovic, according to the Yugoslav media, you have said that you will not go to today's session of the SFRY Presidency on Brioni for reasons of principle. What are these reasons?

[Jovic] We had conceived this session in Brioni as a joint session of the SFRY Presidency and the presidents of the republics and the presidents of the Presidencies of the republics. We needed to discuss in peace and a special kind of atmosphere the most delicate issues, for which such a situation is necessary.

However, this session was unfortunately not well prepared, and most of the presidents of the Presidencies and presidents of the republics could not attend this session, so it turned out that this would only be a session of the SFRY Presidency without them. Since we hold our working sessions of the Presidency here every day, so to speak, and since we are all here in Belgrade, it is pointless for us all to move to Brioni to hold our session. These are the reasons of principle and because of which there is no point at all in us going to Brioni to hold our session.

[Komrakov] Have consultations been held today because, according to the news that has been received so far, Stjepan Mesic and Tudjman are already in Brioni. Have there been any consultations so that you nevertheless go to Brioni, so an agreement on this can be reached?

[Jovic] There have been consultations all day, but all members of the Presidency apart from Mesic and Drnovsek are here in Belgrade, and we have held a working meeting where we considered the situation. The president of the Federal Government and the three federal secretaries who take part in our work are also here. Only Mesic is not here. I do not count Drnovsek, because he has not been attending the recent sessions, anyway. I think that it would be absolutely pointless for us all to go to Brioni because it is much easier for Mesic himself to come here. As far as Tudjman is concerned, the mere fact that other presidents did not come means his participation is not even relevant.

In these circumstances, we discussed—since it is important to us that we soon hold a session with the presidents of the Presidencies in view of the problems—organizing a new such session as soon as possible and during today, at least in my opinion, we came close to achieving this. Most probably this evening, such a session will be held nevertheless, perhaps in Ohrid—consultations are now under way—and at the same time we will hold our working session and a session with the presidents of the Presidencies. I hope that we will reach an agreement on this.

[Komrakov] That means that the possibility actually exists for those who are now members of the Presidency, that is Mesic and Drnovsek, to go to Ohrid.

[Jovic] Consultations are now under way on this, and I hope that consensus will be reached.

[Komrakov] So they are not so much of a problem.

[Jovic] As far as they are concerned, we could hold a session in Belgrade because we hold working sessions, too, but this involves what kind of agreement we will achieve with the presidents of the republics and the presidents of the Presidencies of the republics because they should be invited to the place where they agree to go.

[Komrakov] In your opinion, Comrade Jovic, has the president of the Presidency contacted and informed the presidents of the republics and the presidents of the Presidencies of the republics about today's session?

[Jovic] Obviously not. That is the problem. Our practice has always been, and I do not know why it has not continued, that whenever we have wanted a session with the presidents of the Presidencies, they are contacted by the president and agree a date with them which suits everyone. This nevertheless has to be coordinated: These are people who have their own obligations. Obviously, this time, the administration failed. Invitations were sent out, and we were all meant to go to Brioni. People could not coordinate their commitments in such a way.

[Komrakov] Could you, finally, comment on the statement by Stipe Mesic to journalists who said, according to TANJUG, that the session will be held, if all members of the Presidency do not arrive, but this will only be a discussion since in the absence of a quorum there will be no decisionmaking.

[Jovic] He can explain what he wanted to say. There can be no session of the Presidency if there are not enough members of the Presidency. That is clear.

Tupurkovski Proposes Session in Macedonia

LD1607173391 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1621 GMT 16 Jul 91

[Text] Brioni, 16 Jul (TANJUG)—Shortly after 1700 [1500 GMT] today, Vasil Tupurkovski, member of the SFRY Presidency, arrived by helicopter in Brioni for

talks with Stjepan Mesic, president of the SFRY Presidency, and Janez Drnovsek, member of the collective head of state. In a brief statement on arrival Tupurkovski said that he has arrived with a proposal to hold today's session at Ohrid [in Macedonia] instead of Brioni.

It has been learned that Tupurkovski's proposal was endorsed during consultations with other members of the SFRY Presidency who have not turned up at Brioni today. It is not known whether in addition to Mesic and Drnovsek, Tupurkovski will also meet Milan Kucan, Franjo Tudjman, and Ejup Ganic who are at Brioni for the SFRY Presidency session.

Slovene Government Accused of Misrepresentation

*LD1607172591 Belgrade TANJUG in English
1444 GMT 16 Jul 91*

[Text] Belgrade, July 16 (TANJUG)—The Information Secretariat of the Yugoslav Government will ask of all relevant international fora to condemn [words indistinct] the unprecedented state terrorism against the truth as practiced by the Slovenian Government, Yugoslav Deputy Secretary for Information Mustafa Cengic told TANJUG today.

In this connection, the Yugoslav Government will approach the Conference on Security and Cooperation in Europe (CSCE), the European Community (EC), International Associations of Journalists and non-governmental organizations.

Sticking at nothing in the deception of its and foreign public, the government of the Yugoslav Republic of Slovenia, through its Ministry of Information, promoted untruth as an exceptionally important component part of the official state policy, thus violating all international legal and professional norms, Cengic said.

Many foreign reporters openly admit that they have been taken in by the deception for which Slovenian Minister Jelko Kacin is being enthusiastically praised by the Slovenian public and which has prompted the Croatian press to reproach its own minister with having shown poor skill in the use of the method of subversion which has been tried and proven in the events in Slovenia, Cengic said.

He said that it is already noticeable that a vast majority of professionals and editorial offices in the West are no longer prepared to publish the lies, although the Slovenian political leadership has been investing the utmost efforts to preserve the status of victim it has acquired in the world.

Freedom of the press, as one of [words indistinct] freedoms, is at present in the greatest peril from the so-called young democracies, Cengic said. The democratic world must learn the real truth about this.

Cengic stressed that the Yugoslav Government's Information Secretariat will intervene in the future in all

other cases of state terrorism against the truth, which is dangerously gaining ground in Yugoslavia.

All major mass media have been placed under the control of the ruling political structures and all those at odds with their policies, [words indistinct] the Yugoslav government, [words indistinct] has been subjected to an information blockade, Mustafa Cengic said.

Federal Reserve System Stressed by Republics

*LD1607125491 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1500 GMT 15 Jul 91*

[Excerpts] Belgrade, 15 Jul (TANJUG)—Slovenia's, and then Croatia's, incursion into the system of the Federal commodities reserves have reduced the country's defense capability, since some 35 percent of the overall amount of special purposes strategic reserves, which the Federal Department for Commodities Reserves stores in these republics, have been blocked. Apart from this, the blockade will bring about legal consequences from which enormous damage will result, since the chain in the system of the Federal reserves has been disrupted.

This was stated today by Tadojica Petrovic, an official of the eight-man crisis headquarters of this department (formed on 28 June). [passage omitted]

The system of Federal commodities reserves was breached on 27 June, after a Slovene ministry issued a ban on delivery of goods to warehouses belonging to the federation. Three days later the Croatian Trade Ministry did the same.

The blockade of strategic and market functions of the Federal Department for Commodities Reserves means that a virtual embargo is being put on state property in Slovenia and Croatia, property intended to be distributed throughout Yugoslavia: 25 percent of energy of the overall energy potential belonging to the Federal reserves, 16 percent of industry, 23 percent of food, and about 35 percent of special purposes strategic reserves.

Kostic Details Reasons For Brioni Absence

*AU1607162791 Belgrade Radio Belgrade Network
in Serbo-Croatian 1441 GMT 16 Jul 91*

[Interview with Branko Kostic, vice president of the SFRY Presidency, by Milorad Komrakov on 16 July—recorded]

[Text] [Kostic] In this grave and dramatic situation, the question of the venue of the Presidency meeting may appear not all that important for our citizens, and a number of citizens may get the impression that we are dealing with peripheral matters. However, I think that this question is very important indeed, that it is of principled nature, because through these attempts—which are nothing new—to locate the SFRY Presidency session somewhere outside Belgrade, one tries to create an impression among the international public and

domestic public that Belgrade as the capital of Yugoslavia and as the seat of the Presidency is, you see, insufficiently safe so that all who come for these meetings could attend.

I am convinced that Belgrade is now the safest place we all can gather, and therefore I was categorically against the latest session that we held here, on 12 July, being held in Brioni, although attempts were made even then that we hold the session there. Agreement was reached at that latest session that the joint expanded session should nevertheless be held in Brioni. I left that session somewhat early because I had other commitments—it lasted late into the night, up to 0100, and I had to leave for Montenegro because of certain commitments connected with 13 July—but yesterday morning, having learned in the media that the session is envisaged for Brioni, I informed Mr. Mesic that I will not come to this session for the reasons that are well known both to him and to the general secretary of the Presidency.

[Komrakov] Comrade Vice President, you have been in contact with the President of the SFRY Presidency in the course of the day, and he is in Brioni.

[Kostic] I had a conversation with him today. Yesterday afternoon, after General Kadjevic, federal secretary for national defense, requested that the Presidency meet urgently in a working session, I—in agreement with other members of the Presidency except Mr. Tupurkovski, who was in London—I took up the initiative and requested that we hold a working session last night, particularly since we had agreed that the situation demands that we should be in constant session; and this morning, or rather today, when I had a conversation with Mr. Mesic, considering that an expanded session had not met because the presence of all the presidents of the republics and of the presidents of the presidiums, we indeed assessed that this no longer is a question of an attitude of spite, but that there is no sense whatever that the six members of the Presidency who are here [in Belgrade] now travel to Brioni just because Mr. Mesic and Mr. Drnovsek are there. [sentence as heard]

However, because of the seriousness of the situation, and because of the attempts to begin this peace process, so that bloodshed be avoided and so that we may get out of this crisis in a peaceful way, and finally because of the support we enjoy in the international community and its willingness to help us economically and to contribute to a peaceful resolution of the crisis, we tried to do everything so that there will be no break-up and no blockage of the work of the Presidency as the highest organ.

In this sense we suggested that every one of us in the Presidency, each on his behalf, try to obtain the agreement of the presidents of the republics (to which we belong) that an expanded session be held in Ohrid today. In this case we would hold this working session of the Presidency before or after, depending on when we succeed in getting the presidents together. We have no final reply on this. I can say that I have had a conversation

with Comrade Momir Bulatovic, president of the Presidency [of Montenegro] and that he expressed his willingness to meet at any time, to meet tonight. We expect reports after the talk I held with Mr. Mesic on (the possible) agreement of Mr. Tudjman and Mr. Kucan.

[Komrakov] Tell us, we have unofficially learned that some consultations were under way here in the Palace of the Federation today. Comrade Vice President, who is in Belgrade at this time?

[Kostic] At this moment, six members of the Presidency are in Belgrade, with the exception of Mr. Mesic and Mr. Drnovsek, who are in Brioni. The president of the Federal Government is in Belgrade; so is General Kadjevic, federal secretary for national defense. Here is Petar Gracanin, federal secretary for internal affairs. Here is Budimir Loncar, federal secretary for foreign affairs. If an expanded session of the Presidency is held to include the presidents of the republics, here are a number of the actors at such a meeting, who would not attend a working session of the Presidency.

[Komrakov] Has Stjepan Mesic been acquainted with the possibility of holding a session in Ohrid?

[Kostic] Well, yes. I talked with him about this. After much insistence that the working session of the Presidency be held here, having assessed that we cannot make sure that the presidents of the republics will come to Belgrade, we accepted and suggested this compromise solution that we try to get all the presidents of the republics to this meeting in Ohrid, in which case we would quite normally hold the working session there, too, with an assurance by Mr. Tupurkovski and Mr. Bogicevic that within the Presidency we agree that the question of the venue of working sessions of the Presidency should not be broached in the future.

In conclusion I told Mr. Mesic that [words indistinct] he lives in Zagreb, he comes from case to case, when necessary, but the President of the Presidency must live here if he wants to perform his duties as president successfully.

[Komrakov] Comrade Vice President, I think that in conclusion of our short interview we will agree on the fact that the Yugoslav public and the citizens of this country nevertheless expect that the SFRY Presidency, as the supreme commander, will reach an accord, hold a session, and not indulge in polemics about such technical problems, as you yourself have called them.

[Kostic] I fully agree with this. I am aware of the serious and unpleasant impression that all this causes among our citizens in such a dramatic situation. I think that I personally have done everything during this time that I have been in the presidency and in the office of vice president to be fully constructive, so that we may create an atmosphere of constructive dialogue in the Presidency. I nevertheless think that every citizen will comprehend and understand: This means that there is a limit beyond which one cannot really cannot go, regardless of

the fact that we are aware of all these negative influences that are present in the public.

[Komrakov] Thank you very much for the interview, Comrade Vice President.

[Kostic] Thank you.

Republican Officials Urge Peaceful Solution

LD1707092591 Belgrade TANJUG in English
2314 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—Conclusions of the Serbian, Macedonian and Montenegrin Assemblies concerning the current situation in the country were submitted to the Federal Assembly today.

The three documents underscored the commitment to a peaceful solution to the Yugoslav crisis and consistent respect of obligations set up during the meeting with representatives of the European Community (E.C.).

In the conclusions of the Serbian Parliament, Yugoslavia is seen as a democratic federal state. The Montenegrin Parliament views Yugoslavia as a state community made up of peoples which, as underscored in both documents, want to live in this state democratically and equally.

Serbia and Montenegro called for changes in work of the federal organs, primarily for passing an emergency law on multi-party elections for the Federal Chamber of the Yugoslav Assembly and a constitutional law to regulate the peoples' right to self-determination, that is, secession from Yugoslavia.

The Macedonian Assembly underscored that, during the three-month negotiations, the republic's status should be defined by adopting a new constitution and other acts on which Macedonia's independence and overignty would be based, including the possibility of creating an alliance of sovereign states.

Mesic Says Discussion Possible Without Quorum

AU1607135691 Belgrade Radio Belgrade Network
in Serbo-Croatian 1300 GMT 16 Jul 91

[Text] We have not yet received any official confirmation that an expanded session of the SFRY Presidency has started in Brioni.

TANJUG first reported that the session did not begin at 1030 as scheduled. Stipe Mesic, president of the Presidency; Janez Drnovsek, member of the Presidency; and Franjo Tudjman, president of Croatia, have arrived in Brioni. TANJUG reported that consultations were under way with others about their possible arrival.

In the meanwhile, Mesic, president of the SFRY Presidency, stated that there had been no problems until yesterday and that nobody had canceled his attendance. Mesic confirmed that Drnovsek and Tudjman had arrived, and that Kucan announced he was coming shortly. According to Mesic, Tupurkovski told him he

was coming, and so did Ante Markovic, Federal Executive Council president. I have not talked with the others, Mesic said.

We learned last night that Montenegro's Branko Kostic was objecting in principle to holding the session in Brioni, because of some statement by Drnovsek. Mesic said that Drnovsek denied this unconfirmed report by Belgrade POLITIKA. A discussion may be heard even if perhaps no quorum is present for the adoption of decisions, Mesic, president of the SFRY Presidency, stated.

Spokesman Blasts Officials Over Failed Session

LD1707091691 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0839 GMT 17 Jul 91

[Text] Belgrade, 17 Jul (TANJUG)—What happened in Brioni yesterday was a political scandal that the country, in the present situation, can ill afford. In an unambiguous way the members of the SFRY Presidency demonstrated that they do not care about the fate of the people and the bloodshed, but are only interested in their own political prestige and an opportunity to score points in the usual manner.

This position of the Federal Government regarding the failure to hold an expanded session of the State Presidency yesterday, was outlined today by Federal Government spokesman Predrag Tasic at a news conference in the Federal Executive Council's Information Secretariat.

The events yesterday indicate that the people in the (Yugoslav) Presidency do not want to reach an agreement, and that by their behavior they are sabotaging the SFRY Presidency itself, Tasic stressed.

Republics, Provinces 'Violate' Federal Laws

LD1707101991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1024 GMT 16 Jul 91

[Excerpt] Belgrade, 16 Jul (TANJUG)—All the republics and provinces, more or less deliberately, violate Federal laws, be they regulations in the area of banking, payment of personal income or payment of taxation, and custom does into the Federal budget.

One can infer this on the basis of a report on the control of the application of Federal regulations compiled by the SDKL [Yugoslav Social Accountancy Service] which was put before the Yugoslav Assembly today for discussion.

The SDKJ controllers have been to all the republics and provinces, with the exception of Slovenia, where their arrival had been stopped. The direct general of that republic's SDK did not allow an audit to be made. He stressed that the Republic of Slovenia "does not carry out Federal laws not approved by its own assembly".

With the exception of Macedonia and Serbia, all Federal units broke the decisions on the manner and conditions concerning the use of mandatory reserve funds. Moneys from reserve funds were used even in cases when the

banks had funds in their accounts, and this was at variance with the regulations. In addition, payments were made when there was no cover for them, that is to say, when the banks were not liquid.

As demonstrated during last month's audit the republics "ignored" Federal legislation on personal income and went on paying out wages on the basis of their own regulations which are much more favorable and less restrictive than the Federal ones. [passage omitted]

Bosnia-Herzegovina kept back all the funds amounting to about 1.4 billion dinars (period from 1 January to 12 June—TANJUG) being the taxation on commodity and services trade which money is due into the Federal budget. This sum has been paid into the Bosnia-Herzegovina Finance Ministry. In Serbia, Federal money went directly into the republican budget or into a special Serbian account. Other Federal units behaved in the same way with the proviso that the size of the "confiscated" Federal moneys differed from republic to republic.

International

Bessmertnykh Note to Neighbors Termed 'Rude'

LD1707103791 Belgrade TANJUG in English
0949 GMT 17 Jul 91

[Text] Zagreb, July 17 (TANJUG)—The Zagreb daily VECERNJI LIST today assessed as a 'top-level example of diplomatic rudeness' a message by Soviet Foreign Minister Aleksander Bessmertnykh to Yugoslavia's neighbours recently.

In the message published in the Austrian press, Bessmertnykh sent word to the foreign ministers of the states bordering Yugoslavia that, unless attempts to interfere in the Yugoslav crisis ceased, conditions would be ripe to create the situation as was at the turn of this century.

The highest-circulation paper in the western part of Yugoslavia, VECERNJI LIST described Bessmertnykh's message as 'very much one-track, rude and threatening that it leaves no choice to the diplomats it addresses than to draw a conclusion that Moscow believes Belgrade was within its interest zone. It is difficult to believe that any of Yugoslavia's neighbours would approve of this, to say the least about Zagreb and Ljubljana (the capitals of the Yugoslav republics of Croatia and Slovenia).'

'Moscow should reconcile itself with the fact that it is an 'ordinary' member of the CSCE. This means that it simply must forget any threats and use of armed force, and diplomatic violence, or keep it within the bounds of diplomatic courtesy,' VECERNJI LIST concluded.

CSCE Resolution on Minorities 'Confused Stand'

LD1607051591 Belgrade TANJUG in English
2028 GMT 15 Jul 91

[Text] Geneva, July 15 (TANJUG)—The Yugoslav delegation to the CSCE meeting on minorities today expressed dissatisfaction with some provisions of the resolution on Yugoslavia recently adopted by the European Parliament, especially its "confused stand that not only the republics but the autonomous provinces too, have the right to determine their future."

Delegation head Vladislav Jovanovic said the representatives of 35 countries attending the meeting were told that the resolution, although citing the Yugoslav Constitution, gives it a completely wrong interpretation and makes the difficult situation in Yugoslavia even more confusing.

Explaining the reasons for this intervention, Jovanovic said the resolution deals with questions relating to the CSCE meeting in Geneva, where a common stand that the minorities cannot have the right to self-determination was repeatedly stated.

A debate on a draft closing document of the meeting, to be presented as a proposal at the upcoming conference on the human dimension of the CSCE in Moscow, opened today behind the closed door in the committees.

A discussion on the "current position of the Albanian people in the light of the Yugoslav crisis" was held today as part of a parallel programme conducted by non-government organizations.

The meeting was organized by the Kosovo committee for information of the world public opinion headed by Gjafer Shatri.

Stands, repeated several times during the meeting, on the alleged violations of human and national rights of ethnic Albanians in Yugoslavia, especially Serbia, were discussed. A new point was the somewhat stronger emphasis laid on "segregation of Albanians in Macedonia."

Soviet Message Sent to Yugoslav Neighbors

LD1607091891 Belgrade TANJUG in English
0705 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—The Soviet Union has called on Austria and other Yugoslav neighbors to avoid any interference in the internal affairs of this country and show responsibility with regard to the crisis it is undergoing.

In the few months prior to the outbreak of the crisis in Yugoslavia, there were deliveries of weapons to the country without the knowledge of its legitimate government, Soviet Foreign Minister Alexandr Bessmertnykh pointed out in a letter which went to Austrian Foreign

Minister Alois Mock and which, as AFP reported, was carried by the local magazine PROFIL in Vienna yesterday.

AFP says that, without specifically mentioning Austria and Hungary, Bessmertnykh expressed regret that many concessions were made to the advocates of the disintegration of Yugoslavia.

If attempts at interference in the internal Yugoslav crisis are not stopped, conditions will exist for the revival of the situation dating back to the beginning of the century, which is only too familiar, Bessmertnykh added, alluding to the start of World War One.

Insisting on the necessity of the preservation of the territorial integrity and unity of Yugoslavia, Bessmertnykh told its neighbors that it is very important, even if they share historical roots with Yugoslavia, that they do not fall under the influence of those who look back ... and let themselves be inspired by nostalgic memories of the old Balkan structure, forgetting their tragic role as the European tinder-box.

Jeszenszky on Vojvodina 'Misunderstanding'

LD1607110391 Belgrade TANJUG in English
1008 GMT 16 Jul 91

[Text] Zagreb, July 16 (TANJUG)—Budapest will not recognize Slovenia and Croatia before certain conditions are fulfilled, such as statehood and sovereignty, de jure and de facto, said Hungarian Foreign Minister Geza Jeszenszky in an interview to the Zagreb weekly DANAS.

Jeszenszky said that before international recognition of the two republics had taken place, Hungary would not undertake any unilateral steps.

Jeszenszky paid special attention to the fact that in Yugoslavia, especially in its three republics lived a sizeable Hungarian minority. In this context, Jeszenszky underscored that the minority should have local self-management, and that the best solution would be to set up the minority's cultural autonomy.

Referring to reactions resulting from Prime Minister Antall's recent statement in which territorial claims to the Yugoslav province of Vojvodina were voiced, Jeszenszky told DANAS that a misunderstanding had arisen, and that the border question was a sensitive one. Jeszenszky said that the prime minister's statement was not aiming at territorial claims.

Jeszenszky cited Prime Minister Antall's words that under the Trianon and Paris peace treaties, the territory of Vojvodina which had belonged to Hungary, was annexed to Yugoslavia and not the Republic of Serbia.

It is my belief, said Jeszenszky, that Vojvodina should not be forgotten in the new reconstruction.

G-7 Foreign Ministers on Efforts To End Crisis

LD1607141391 Belgrade TANJUG in English
1245 GMT 16 Jul 91

[Text] London, July 16 (TANJUG)—Yugoslavia cannot disintegrate in a peaceful way and all efforts must be invested to find a basis for it to survive as a single state based on democratic accord. At this time, recognition of independence of Slovenia and Croatia should not be considered and everything possible must be done towards an immediate end to conflicts in Yugoslavia.

This was the assessment come by late on Monday by the foreign ministers of the seven most industrialized Western countries after several hours of discussions. The ministers accompanied their heads of state or government at the London summit.

Official British circles set out that full support was given to peaceful initiatives of the European Community, which is to resume the launched activities towards calming the crisis in Yugoslavia.

The stand of the 'Seven' foreign ministers was put forth on Tuesday morning plenary session of the summit and will, as believed, included in the meeting's political declaration, together with an urgent appeal to all Yugoslav leaderships to abandon immediately conflicts and arrive by way of political dialogue at a basis for living together.

G-7 Declaration Said 'Attempt To Please All'

LD1607204291 Belgrade TANJUG in English
1820 GMT 16 Jul 91

[Text] London, July 16 (TANJUG)—According to many diplomats and journalists here, the declaration on Yugoslavia, adopted by the group of seven industrialized Western countries at their summit in London, carries a message for all in Yugoslavia with an attempt to please all. Journalists and diplomats consider the closing sentence of the declaration, linking Western economic aid to normalization, crucial. They note that the aid will be sent to the "country," not member-countries of the Yugoslav federation.

The declaration calls for the deactivation of military forces but does not specifically mention the Yugoslav Army. It is therefore assumed that the appeal also relates to the other armed formations. The call to all parties to comply with the provisions of the Brioni agreement has been taken in London as a reproach to the Yugoslav Army, but also to Croatia and, especially, Slovenia.

It has been noticed that the declaration mentions the norms of international law on territorial integrity of states. This is interpreted as an unambiguous message to Slovenia and Croatia that they can leave Yugoslavia but only through an agreement to be endorsed by both Yugoslavia—or rather its remainder—and the international community. The Seven are not sympathetic to the

idea of creating new mini-states in Europe, especially in the Balkans, British officials point out.

Observers see the document's section on the right of peoples to self-determination and respect for the rights of minorities as a message to Serbia, with its ethnic Albanians in Kosovo, and Croatia, with a large number of Serbs who do not wish to live in the new Croatian state.

As to the formula that the Seven will cooperate "with others in the international community" in assisting in the resolution of the Yugoslav crisis, the sources point openly to the Soviet Union.

As learned from diplomatic sources, the maintenance of Yugoslavia has been championed by French President Francois Mitterrand. He will raise the point again at tonight's informal dinner, expected to be attended by Soviet President Mikhail Gorbachev. It is no secret that the maintenance of the existing state integrity is also advocated by the Soviet Union, and it is thought that the Seven plus one could probably come up with a new plan for calm in Yugoslavia.

Daily Ponders West's Support for Federation

LD1607214791 Belgrade TANJUG in English
0936 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—The accord between Churchill and Stalin on Yalta is the symbol of territorial division of Yugoslavia along the lines which once separated the western and eastern Roman Empire, and which, basically, today divide the northwestern from the southeastern parts of Yugoslavia. In this way Ranko Petkovic writes in the Belgrade daily VECERNJE NOVOSTI on Tuesday explaining the "internal and external divisions of Yugoslavia". It was now the question whether the big powers would insist, and subsequently support by arms, the already existing such territorial division of Yugoslavia, comments Petkovic.

The author notes the following two facts:

- a new and long buffer zone of Catholic states, from Poland and Czechoslovakia to Slovenia and Croatia was coming into existence,
- Poland, Czechoslovakia and Hungary were quick to adjust to new winds in Europe and inclined to the West, i.e., to the Council of Europe, the E.C. and even NATO, and this was also done very loudly and quickly by the Yugoslav northwestern republics Slovenia and Croatia. The southeastern parts of Yugoslavia, primarily Serbia and Montenegro, together with Romania and Bulgaria, allegedly continued having a bloodline with their communist past.

The following questions, nevertheless, were the most important for the fate of Yugoslavia:

Would not the interests, of say Germany, Great Britain, France, Italy, Greece... already in the anticipated divisions of Yugoslavia come into conflict?

Would the U.S. accede to playing a second-hand role in the Yugoslav crisis, or would it want to fit it into its own global policy?

And finally, will the Soviet Union try, on its own or together with the U.S., to expose its stand in the geopolitical region in which it had done so in the recent history. This was most likely, Petkovic assesses, but this time less offensively, because of its own situation.

Nevertheless, he says in the conclusion, "the actual political and territorial divisions in Yugoslavia... could be joined by the line of division, which, in the form of ultimatum or sentence, would be dictated by the big powers."

Slovenia's Rupel Writes to EC Counterparts

LD1607225891 Ljubljana Radio Slovenia Network
in Slovene 2200 GMT 16 Jul 91

[Text] Slovene Foreign Minister Dr. Dimitrij Rupel has sent a letter to Slovene representatives abroad and to EC foreign ministers in which he describes the current situation in our country. He told them that the Slovene Foreign Ministry will do everything it can to make sure the EC observers can involve themselves fully in the peace efforts and in the negotiations for a new settlement of relations in Yugoslavia. The letter goes on to say that Federal Premier Markovic has until recently presented himself in the world as a champion of Western market reforms. However, Dr. Rupel stressed, we hope that when Markovic uses a communist army to introduce his reforms, it will become clear that his government is both illegal and illegitimate.

European Parliament President Offers Assistance

LD1707050391 Belgrade TANJUG in English
1730 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—Yugoslav parliamentary institutions 'can and must play the decisive part' in reconciling the sides in dispute in Yugoslavia and in seeking a peaceful solution to the Yugoslav crisis, European Parliament President Enrique Baron Crespo says in a message sent to President of the Yugoslav Federal Parliament Slobodan Gligorijevic.

In his message, Baron Crespo says that both the European Community and the European Parliament are seriously concerned about the dramatic situation in Yugoslavia, and emphasizes that the Yugoslav parliamentary institutions are the appropriate fora in which to reach a peaceful solution to the crisis.

Baron Crespo goes on to say that the European Parliament 'is prepared to cooperate in establishing such a dialogue,' if Yugoslavia wants it. The European Parliament is 'ready to launch appropriate initiatives in that

direction, especially in the context of examining the third financial protocol between the E.C. and Yugoslavia

Baron Crespo emphasizes that the sides in dispute in Yugoslavia must comply with the Brioni declaration on a peaceful settlement of the crisis if the country wants to have the support of the European Parliament and the E.C.

Effectiveness of Arms Embargo Questioned

LD1607212891 Belgrade TANJUG in English
0812 GMT 16 Jul 91

[Text] Brussels, July 16 (TANJUG)—The Western public is very skeptical about the effectiveness of the embargo on deliveries of arms to Yugoslavia, imposed by the European Community and the U.S. with the aim not to add fuel to the fire of the "crisis spot in the Balkans." The E.C. countries firmly demanded that all, particularly European countries, refrain from lending "aid" to Yugoslavs by delivering arms to their proteges among them.

Italy at a recent ministerial meeting in Budapest even demanded that Hungary and Austria promise in written form not to send arms to the Yugoslav "local battlefield". The reason being that the E.C., despite the reserves of one of its powerful members, was able to reach a joint stand—that it is not possible to accept a violent break up of Yugoslavia and that the creation of "spheres of interest" and "a Lebanon in the Balkans" would jeopardize the entire and with hard effort created order of peace, security and integration in Europe. In a possible war in Yugoslavia, everybody would lose anyway.

Unfortunately, the skeptical ones seem at least partially to be right, as the inflow of arms in Yugoslavia has not been cut off and is difficult to ensure. Prominent Belgian daily LE SOIR claims that "East German arsenals are still filling the Balkan barracks."

"Until recently, Hungary lost its role as mediator. Only several workshops there, under the veil of legal contracts made with the authorities in Zagreb and Ljubljana, are still processing the (East German) material which is re-exported to Croatia and Slovenia."

The independent LE SOIR, however, does not only single out Croatia and Slovenia, but underscores that "Yugoslav republics, their legal forces and more or less legal militias are swamped by light and heavy armaments ranging from machineguns and grenades to rockets and anti-tank missile launchers." LE SOIR claims that "now discrete or secret deliveries of arms for various militias are carried out more via Austria and particularly Germany—an office in Regensburg has become a key link in the trade, the daily writes.

"Kalashnikovs and Carl Zeiss optical sights are not the only weapons available between the Adriatic and the Danube... There is also Austrian, Swedish, Czech, Swiss, U.S., French

and Belgian armaments." However, LE SOIR adds that "the equipment is not obtained directly from the producers but through intermediate independent European arms deals, particularly well known in Lebanon."

To cite an example of an arms delivery to Yugoslavia: Missiles, grenades and machineguns were bought from the Lebanese Christian militia and then delivered to an Adriatic port via South Africa.

DELO Believes EC Renouncing Mesic

LD1607163991 Belgrade TANJUG in English
1245 GMT 16 Jul 91

[Text] Ljubljana, July 16 (TANJUG)—"The European troika and the E.C. seem to have renounced Yugoslav State Presidency President Stjepan Mesic," the daily DELO, published in the Slovenian capital of Ljubljana, says.

Mesic and Croatian President Franjo Tudjman act 'unskillfully and uncoordinated,' they 'tell one thing and do the other,' as DELO says.

DELO finds evidence for the E.C. renouncement of Mesic in the fact that 'the reports on the implementation of the Brioni Declaration are sent to the E.C. by State Presidency Member Vasil Tupurkovski.' The daily describes Tupurkovski as a 'cunning person and broker who well deserves all attention.'

'At a cursory glance, Tupurkovski is neutral, a Macedonian not burdened with nationalism, who, because of his republic's geopolitical position, is the 'most adequate' person to carry out one more attempt of establishing the Yugoslav community within its borders,' DELO sets out.

'Neither Tupurkovski himself can guarantee to Europe the political control over the hawk-generals,' the daily warns. 'At the State Presidency's recent session, Tupurkovski reportedly resolutely opposed Serbian stands that the 'Army has no business where it is received as an occupation army,' DELO says.

'What lies behind the Serbian initiative is the release of Army forces for a definite strike against Croatia,' DELO underscores, adding that 'Tupurkovski's opposition should not be seen as exclusively negative at the moment.'

EC Observers Visit Ljubljana, Meet Leaders

LD1607202891 Belgrade TANJUG in English
1804 GMT 16 Jul 91

[Text] Ljubljana, July 16 (TANJUG)—Head of the observer mission of the European Community to Slovenia, Ambassador Jo van der Valk, and member of the mission Marco Hennis, visited Ljubljana this afternoon, where they met with Premier of the Republic of Slovenia Lojze Peterle and Republican Foreign Minister Dimitrije Rupel. In a brief press statement, the monitors stressed that the visit had established the first contact in Slovenia and traced the guidelines for future cooperation.

The talks were attended by Slovenia's representative to the E.C. observer mission's headquarters in Zagreb Zvone Dragan. Dragan had served as Yugoslav vice president and has until recently held the post of assistant federal foreign secretary in Belgrade.

European Moves To Resolve Crisis Assessed

LD1707091191 Belgrade TANJUG in English
2021 GMT 16 Jul 91

[Dragan Blagojevic report]

[Text] Brussels, July 16 (TANJUG)—Dynamic efforts of the European Community to help the Yugoslavs, above all politically and economically, resolve the crisis threatening to turn into a war, is a touchstone of continental integration and of the 'new democracies' in the east joining the new, emerging European order.

The community is doing all it can to direct the Yugoslav crisis towards negotiations and prevent a broader armed conflict, precisely on account of inevitable future entanglements of this kind in Europe.

Most Europeans are very strongly opposed to a prospect of either Yugoslavia, or other parts of the continent being divided into spheres of interest. History of Europe proves that this could only result in disaster. A violent disintegration of Yugoslavia would 'dent,' if not jeopardize the new European order.

The Twelve do not want to call in question the declarations of independence by Slovenia and Croatia, but do not want the process to shake the whole continent either. For these reasons, they advocate negotiations and a division of assets and liabilities based on legal mechanism as the only solution.

The Yugoslav crisis illustrates how difficult it is to reconcile the right of peoples to self-determination and the inviolability of state borders, as the mainstays of the new peace order founded on the CSCE provisions.

Some E.C. members have intertwined their own regional aspirations and interests somewhat more closely with the common effort to resolve the Yugoslav crisis.

Unwillingly, the Germans had to give up their insistence on the guarantees of Slovenia's and Croatia's independence irrespective of the course of unraveling in Yugoslavia.

The Community has reached consensus reflected, in a large part, in the latest statement of French President Francois Mitterrand that, 'as long as a chance for unity in Yugoslavia exists, it should be banked on in democracy. If it is not possible, the right to self-determination arises.'

Slovenia

YPA Unit Safety Responsibility Rejected

AU1607154691 Ljubljana Radio Slovenia Network
in Slovene 1330 GMT 16 Jul 91

[Letter from the Presidency of the Republic of Slovenia to the presidents of other republics on the territory of Yugoslavia]

[Text] The Defense Ministry of the Republic of Slovenia has informed us that this month the Yugoslav Army will fill up its units and institutions in the territory of the Republic of Slovenia with fresh recruits from other Yugoslav republics. Considering that recruits from your republic are also envisaged to replenish the units and institutions of the Yugoslav Army in Slovenia, and their postings are executed by the respective communal organs for people's defense, we propose that you prevent these postings.

Regarding the conditions that have arisen after the aggression of the Yugoslav Army, the organs of the Republic of Slovenia cannot accept responsibility for the safety of recruits in the territory of Slovenia. Because of the questions outstanding between the Republic of Slovenia and the Yugoslav Army, and the constant violations of the Brioni Declaration by the Yugoslav Army, the situation in Slovenia is extremely tense. As is known, the Yugoslav Army uses untrained recruits for the performance of combat duties which they are not capable of fulfilling.

The replenishment of the units and institutions of the Yugoslav Army in the territory of Slovenia also contradicts paragraph two, Point Five, of the Annex of the Joint Declaration of Brioni, adopted both by the Assembly of the Republic of Slovenia, and the Presidency of Yugoslavia. In accordance with the Slovene Assembly statement, ('with the adoption of the declaration,) the Republic of Slovenia understands the cessation of fire and all hostile activities of the armed forces against the Republic of Slovenia as an obligation imposed on all sides. Therefore any replenishment of military units by bringing in fresh forces from other parts of Yugoslavia to the territory of Slovenia is considered a flagrant violation of the cease-fire and of the obligations arising from the said Brioni declaration.

At the very beginning of the aggression we proposed that you recall the servicemen and officers, citizens of your republic, active in the military units in Slovenia, because under such circumstances we could not ensure their personal safety for understandable reasons. Unfortunately you have not responded to our proposal and warning, although you would have contributed to a reduction of the tragic loss of life.

We ask you this time to accept our proposal and prevent in this way the possible loss of life on both sides.

Drnovsek on Brioni Accord, Presidency Session

*AU1607130491 Ljubljana Radio Slovenia Network
in Slovene 1100 GMT 16 July 91*

[Nadja Pengov report]

[Text] [Pengov] As I report this the Brioni summit of the expanded SFRY Presidency scheduled for 1030 [0830 GMT] has still not started. It is also not clear whether it will start at all and how. As is known, the three Presidency members from Serbia and Branko Kostic from Montenegro canceled their participation yesterday evening. Each of them stated his own doubts and reasons. For instance, Sejdo Bajramovic from Kosovo believes that strolling on Brioni is an unnecessary expense in times in which people have no bread, as he said, Milosevic did not consider Brioni safe enough, and so forth.

Of course, these are all flimsy excuses behind which lie bigger political games. While here at Brioni, Stipe Mesic, Drnovsek, and [Croatian President] Tudjman await possible new guests—information on the arrival of others is changing from hour to hour—we recorded the following interview with Dr. Drnovsek:

[Drnovsek] We will wait a little, so they can make up their minds in Belgrade whether to come or not. Different news arrives every half an hour. The latest is again that the (?eastern) members have nevertheless decided to come here to this session. We are willing to talk, although I must say that the initial interest regarding today's session was on the side of the Presidency. We did not present any special initiatives because we expect that the real talks will start when the EEC representatives (?will also take part). In a way (?this is right).

We have also noticed that the Presidency would like to have some additional initiative in these political activities, like a sort of organ that is still independent or, as the highest organ, can dictate its own rules of the game outside this (?firm) Europe-Slovenia-Federation circle. Therefore, I believe that such initiative, such motive, exists on their side.

[Pengov] [Slovene] President Milan Kucan is also supposed to be coming here? Is this true?

[Drnovsek] It is true. President Kucan is coming, we have spoken recently, and he has already set off. Regardless of whether the SFRY Presidency session with the other presidents will be held, we agreed with Presidents Mesic and Tudjman that, if others do not arrive, then we will hold Slovene-Croat talks.

[Pengov] If the SFRY Presidency session does take place, that is, if members of the Presidency [passage indistinct], surely, no big decisions will be made today? Do you expect something special from this session?

[Drnovsek] No, I do not expect anything special. I know that, if I may say so, the other side in such a case [word indistinct] would arrive, or better said, the Yugoslav Army with its representatives will come forward with complaints at Slovenia's expense, complaints that Slovenia is breaching the Brioni declaration. This was announced, President Markovic told us about this when we spoke on the telephone, therefore, the Yugoslav Army does want to hold this meeting. We have this information. It remains to be seen what the result will be. My stand in this matter is that the SFRY Presidency cannot be the place in which we establish to what extent the Brioni declaration has been fulfilled, that with the Brioni declaration itself it was agreed that the EEC observers would arrive and that the European observers would supervise the implementation of this agreement, and that afterward, in communication with both the Federation and Slovenia, they will simply arbitrate, if I can use this term, or try to establish together with both sides who is right and who is not, or who has to do more. Therefore, this role that the SFRY Presidency (?is trying to assume)—that the Presidency would supervise the Brioni declaration—we do not accept it, because, simply, such a (?control) mechanism has already been adopted.

Economy Needs 10 Years To Recover

*LD1607200591 Ljubljana Radio Slovenia Network
in Slovene 0001 GMT 16 Jul 91*

[Text] According to preliminary assessments of the war damage, it will take the Slovene economy all of 10 years to put right the consequences of the aggression. The Foreign Ministry envisages problems primarily in the monetary sphere, because the Yugoslav National Bank has stopped supplying Slovenia with cash, and furthermore, no longer gives the necessary agreements so that contracting debts abroad is impossible. The present conditions also prevent Slovene enterprises and banks from consistently honoring their contractual obligations to foreign partners.

Croatia

Association of Serbs From Croatia Regards SPO

*LD1607104691 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1055 GMT 15 Jul 91*

[Text] Belgrade, 15 Jul (TANJUG)—Prompted by its greed for power and accompanying privileges, the "Serbian Renaissance Movement" [Srpski Pokret Obnove, SPO] has been consistent and unscrupulous in its attempts to misuse the suffering and despair of the Serbian population under threat from the genocidal policies of the Croatian leadership.

As part of its strategy, the SPO has tried to compromise the Belgrade-based Association of Serbs from Croatia by linking it with the LC - Movement for Yugoslavia and an alleged distribution of arms in Serbia.

We wish to state firmly that such allegations are totally groundless, especially in light of the fact that since its foundation, the Association of Serbs from Croatia has had no contacts with the LC - Movement for Yugoslavia, the Association of Serbs from Croatia says, inter alia, in its denial.

Rudolf Seeks EC Role Within Republic

LD1607141491 Belgrade TANJUG in English
1248 GMT 16 Jul 91

[Text] Zagreb, July 16 (TANJUG)—Croatia will persist on a stance that the activities of a European Community monitoring mission should be enlarged to cover also Croatia, as Croatian Foreign Minister Davorin Rudolf said at a regular news conference in the Croatian Assembly today.

Rudolf said Croatia would send protest notes and take all necessary steps for a memorandum on the E.C. monitoring mission to be 'interpreted in an adequate way.' Rudolf assessed as negative a statement by head of the E.C. monitoring mission, Dutch diplomat Jo van der Valk. He stated that the 'mission's activities would concentrate on Slovenia,' and explicitly ruled out any activities in Croatia.

'There is an impression that the statement was made without getting a sufficient insight into the memorandum,' Rudolf said.

Asked what would the Croatian authorities do if the mission and the E.C. persist on Van der Valk's stands, Rudolf gave no explicit answer.

Split Assembly Debates Obstructing YPA

LD1607171991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1423 GMT 16 Jul 91

[Excerpt] Split, 17 Jul (TANJUG)—A vehement debate on the political situation in Croatia was held today during a session of all three chambers of the Split municipality. The councillors made serious charges against the Yugoslav People's Army [YPA] and criticized it. The demand was made to ban local youths from recruitment into the YPA and that the Assembly should take a stance vis-a-vis the YPA as "an occupation army". In this connection obvious efforts were made to cut off water and electricity to the YPA and to deny it supplies. It was said in this context that Stipe Mesic should not have signed the decision whereby Croatian recruits will again do their military service in the YPA. Some HDZ [Croatian Democratic Community] councillors suggested that weapons should be distributed to the people and that the party leadership should invite Croats abroad to return home. [passage omitted]

Serbian Citizens Pay Special Property Tax

LD1607164391 Belgrade TANJUG in English
1107 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—Citizens of the Republic of Serbia who own houses, summer houses or land in the Yugoslav Republic of Croatia have these day received decision of Croatia's Finance Ministry on paying special tax.

Special tax is 300 dinars on every square meter for a house (around 23 Deutsche marks) and 100 dinars on every square meter of land (around 8 Deutsche marks).

Special taxes continued in force in Croatia, despite the recent ruling of the Yugoslav Constitutional Court invalidating the decisions on special taxes introduced by the republics.

Owners were warned that their property would be auctioned if they failed to pay the taxes.

Some 20,000 citizens of Serbia have summer houses, houses or land in Croatia, said Secretary of the Society for Equal Treatment and Protection of Property of Citizens (formed by owners of the houses and lands in Croatia) Bosko Jovanovic, in a statement carried by the Belgrade daily POLITIKA on Tuesday.

The value of this property, says Jovanovic, is estimated at at least three billion Deutsche marks.

The paper warns that the introduction of special property tax in Croatia for citizens of Serbia 'reveals the true intention of the Croatian authorities—to acquire this property with the aid of administrative arbitrary decisions.'

Opposition Leader Calls For Democracy

LD1607225591 Belgrade TANJUG in English
1111 GMT 16 Jul 91

[Text] Zagreb, July 16. (TANJUG)—Ivan Zvonimir-Cicak, one of the opposition leaders in the Yugoslav Republic of Croatia, has warned the ruling Croatian Democratic Union (HDZ) that it must 'insist on a democratic model not only because of Europe.'

In a text carried by the Zagreb weekly DANAS, the leading man of the Croatian Peasants' Party (HSS) noted that the republican authorities were under obligation 'at least artificially to simulate and stimulate a multi-party system.'

The HDZ, as Cicak said, 'has entirely eliminated the opposition informatively and politically.'

Cicak recalled the 'bad historical experience the Croatian people had in times it used to give up democratic models.'

In sharply criticizing the ruling party, the HSS leader among other things mentioned that decision essential for Croatia were subject to 'endorsement by the so-called

Supreme Council—a para-constitutional and de facto unconstitutional organ—which has, in real fact, taken over the function of the government.’

Cicak added that the Supreme Council ‘just as the Sabor (parliament) probably merely confirm the decisions that had been made by Mr. Tudjman,’ Croatia’s president [sentence as received]

‘Should we not know at least how to show finesse before Europe, we would pay a very dear price for our incapability of dealing with cunning in politics,’ Cicak concluded.

Interior Ministry Reports Unrest

LD1607162891 Belgrade TANJUG in English
1504 GMT 16 Jul 91

[Text] Zagreb, July 16 (TANJUG)—The Ministry of Internal Affairs of the Yugoslav Republic of Croatia said that one Croatian policeman was killed and nine wounded in clashes with ‘terrorists’ yesterday and today.

The Croatian authorities call those Serbs in Croatia who are putting up armed resistance ‘terrorists.’

The Croatian policeman was killed last night at around 11:00 p.m. local time after shots were fired at a police car in Lipik, near Pakrac, a town with a mixed population in Slavonia, the northeastern part of Croatia.

The Croatian Interior Ministry said that 36 members of the republican police and the corps of the National Guard (the republican army) have been killed and 141 wounded ‘in clashes with terrorists so far,’ but did not specify what period the data related to.

A member of the Croatian National Guard was lightly wounded early this morning in heavy fire from infantry weapons opened from the village of Borovo Selo, which has a Serbian population, in the direction of Borovo Naselje, populated by Croats.

Croatian police and people from the Serb-populated village of Poljani clashed near Vrginmost, in central Croatia, yesterday.

The authorities of Vrginmost, a town populated by Serbs, said the clashes were provoked by members of the corps of the Croatian National Guard.

According to the local authorities, none of the defenders of the village were wounded, while eight Croatian national guardsmen were seriously wounded and one attacker may have been killed.

The night in the municipality of Dvor na Uni in southern Croatia, where Serbs are a majority population, was marked by severe clashes.

The authorities of Dvor na Uni said that the Croatian police opened fire in the afternoon on positions held by armed civilians and the police of the Serbian autonomous region Krajina, [words indistinct] with mortar shelling.

Troops Desert National Guard in Djakovo

AU1607161691 Belgrade Radio Belgrade Network
in Serbo-Croatian 1300 GMT 16 Jul 91

[Text] As our correspondent Mijusko Tomic has learned from sources close to the headquarters of the First Military District, more than 200 members of the Corps of the National Guard have departed from the Djakovo territory units. According to their statements, they were deceived, and they no longer wish to return to the ranks of the Corps of the National Guard of Croatia.

The deserters from the Corps of Tudjman’s National Guard, as learned from the military sources, state that their superiors deceived them by making many promises, while in fact the country was brought to war, that people are hungry, the fields not harvested and there is a danger that fires may destroy crops. According to their statements, the morale of many members of the National Guard has been shaken by the determination of the Yugoslav People’s Army not to allow bloodshed in the regions where its units are, in the true sense of the word, (‘in control’).

Bomb Blast Shatters Windows at Split Barracks

LD1607131591 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1052 GMT 16 Jul 91

[Text] Split, 16 Jul (TANJUG)—Last night at about 0105 an explosive device was thrown near the fence of the barracks in Balkanska Street in Split. Apart from causing material damage it did not have any other consequences. The powerful blast from this explosive device shattered 13 windows on buildings near the barracks, while at the nearby Hygiene Institute not a single window was left intact. An investigation into this incident is being conducted by the city’s police administration.

Croat Shot, Wounded by Police in Vukovar

LD1607124491 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0954 GMT 16 Jul 91

[Excerpt] Vukovar, 16 Jul (TANJUG)—Members of the police and the Croatian National Guard at around 0130 this morning opened fire and wounded driver Zvonko Muzevic, who ‘ignored a signal to halt at a barricade in Vukovar according to regulations and fled.’

This was stated today by the police administration in Vukovar. The administration added that the wounded Muzevic is of Croatian nationality and that he is hospitalized in the medical center of Vukovar.

Last night an unidentified person blew up the house of Djordje Macut in Vukovar, but, fortunately, there were no casualties. [passage omitted]

Croatian Opposition Party Calls For Dialogue

LD1707100491 Belgrade TANJUG in English
1857 GMT 16 Jul 91

[Text] Zagreb, July 16 (TANJUG)—The opposition Socialist Party of Croatia today proposed that the parliaments of the Yugoslav Republics of Croatia and Serbia appoint multi-party delegations to immediately open talks on questions in dispute.

A statement released by the party in Zagreb suggests that the parliamentary delegations include persons of repute who would represent the interests of Serbs living in Croatia and of Croats living in Serbia to the best of their ability.

Armed clashes between Croatian police and Serbian civilians have been in progress in this second-largest Yugoslav republic for months, in which the Yugoslav People's Army has been acting as a buffer.

The party says that, in case the republican parliaments should fail to respond to the initiative, it would itself organize multi-party talks between Serbia and Croatia.

It welcomes a statement of Dragoljub Micunovic, president of the Democratic Party - the second-strongest opposition party in Serbia - to the effect that Serbia and Croatia should open dialogue. We regard Micunovic's statement as a voice of reason and of good will to deal with mutual disputes through talks and peace, says the Socialist Party of Croatia in its statement.

Village Near Osijek Reported Not 'Flattened'

LD1707051991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1338 GMT 16 Jul 91

[Text] Belgrade, 16 Jul (TANJUG) - After ten days a group of journalists managed to enter the village of Celje near Osijek and realized that information of the Croatian press—according to which the village "has been flattened, burned down, and plundered by Chetniks and terrorists"—is not true, today's VECERNJE NOVOSTI says.

The newspaper says that spokesman of the Osijek YPA [Yugoslav People's Army] garrison Branko Kucekovic stated that inhabitants of Celje moved out under pressure coming from president of the Vinkovci municipality, Tomo Zovko. On that day, 7 July, the Army was in the village and was protecting its inhabitants, Kucekovic said.

There was no reason to leave the village, because villagers of Celje are in the same situation as inhabitants of other Serbian and Croatian villages in eastern Slavonija.

This village of 40 houses, VECERNJE NOVOSTI quotes the YPA representative as saying, apparently had to be moved out because forces of the Croatian Ministry of Internal Affairs and Croatian National Guard were to be concentrated there.

Group Accuses Albanians of Fighting for Croatia

LD1707034691 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1232 GMT 16 Jul 91

[Excerpt] Pristina, 16 Jul (TANJUG)—Postojbina, a Serbian extra-party association in Pristina, has a list of 330 Albanian nationals from the province who have been recruited for the Croatian Ministry of Internal Affairs or for its National Guard. During the past few days—a news conference was told by the leader of this organization—18 Albanians and two Croatian nationals had returned to their homes in Kosovo from the scenes of battle in Croatia. Postojbina, it was said, is asking appropriate organs in Serbia to undertake legal measures against the families of these "Ustasha mercenaries," as they called them, including the possibility of expelling them from Serbia. [passage omitted]

Serbia

Radical Party May Send 'Volunteers' to Croatia

LD1607035591 Belgrade TANJUG in English
1834 GMT 15 Jul 91

[Text] Belgrade, July 15 (TANJUG)—President of the Serbian Radical Party Vojislav Seselj announced on Monday that his party would send volunteers to areas in Croatia where Serbs are endangered if the Yugoslav Army fail to disarm the paramilitary units there by July 18.

Seselj—who was recently elected to the Serbian parliament as the only deputy of this nationalist opposition party—told a press conference that "a general uprising of the Serbian people in Croatia may be expected."

Asked for his views on Austria's role in the recent developments in Yugoslavia, Seselj said that "when the Yugoslav Army units withdraw from Slovenia, Italian troops will march into Istria and Rijeka, and thus stop Austria and Germany."

Assembly President Clarifies Talks With Milosevic

AU1607161591 Belgrade Radio Belgrade Network
in Serbo-Croatian 1300 GMT 16 Jul 91

[Momcilo Boskovic report]

[Text] In a recess during the Serbian Assembly session, Aleksandar Bakocevic and Radoman Bozovic talked to journalists. Momcilo Boskovic reports:

[Boskovic] During the break, Serbian Assembly President Aleksandar Bakocevic held a news conference and presented more precise information on the meeting between the presidents of party caucuses and Serbian President Slobodan Milosevic.

According to Bakocevic, some newspapers today carry incorrect reports. In addition to Slobodan Raketec from

the Serbian Renaissance and Dragoljub Micunovic from the Democratic Party, the meeting with Milosevic was also attended by Radoman Bozovic from the Socialist Party of Serbia, Dragutin Zelenovic, president of the Republican Government, Borisav Jovic, member of the state presidency from Serbia, and Bakocevic himself, as president of the assembly.

The focal point of the talks was the most topical issues concerning the situation in the country. The participants in the talk also discussed the need for restructuring the government, something that is already being worked on by Prime Minister Zelenovic. However, Bakocevic said, no specific names were mentioned for certain posts, as has been reported in some media.

The journalists were interested in the reasons Borisav Jovic did not go to the SFRY Presidency session on Brioni and how the assembly will respond to the proposal by Ante Markovic that he address the Serbian Assembly.

[Begin Bakocevic recording] We saw that several members of the presidency have not gone to the presidency session on Brioni. In my view, they clearly and loudly stated what their reasons were. I think that this is a matter of their choice. Regarding the willingness of Federal Executive Council Ante Markovic to address our assembly, I learned about this from the press, from what the spokesman of the Federal Executive Council said. The spokesman is certainly not (?somebody who speaks on behalf) the Serbian Assembly. [end recording]

Addressing the journalists, Radoman Bozovic, president of the party caucus of the Socialist Party of Serbia, said that the reasons for holding the news conference were uncertainty and speculations that emerged regarding yesterday's talks with Slobodan Milosevic.

[Begin Bozovic recording] It is pure invention that we were considering some cadre reshuffling. I think that this is the time we need to ensure that people are admitted to the government and the state apparatus as a whole in the republic, on the basis of their knowledge, and ability, regardless of their party affiliation. They should be people who can meet these obligations, independently, without making party affiliation a priority. [end recording]

Radoman Bozovic also expressed some assessments about the Federal Executive Council and its Prime Minister Ante Markovic. The government and its president, Bozovic stressed, do not enjoy confidence and must explain themselves to the people as soon as possible, especially because it contributed to the economic collapse and the grave and tragic events in Slovenia.

Opposition on Demands Presented to Milosevic

AU1607211491 Belgrade Radio Belgrade Network
in Serbo-Croatian 2000 GMT 16 Jul 91

[Text] The Central Administration of the Serbian Renewal Movement held a session in Belgrade. Speaking at the session, Vuk Draskovic, president of the party, stressed the

following: We do not want to lose our lives for alien lands or for non-Serbian aims. We do not want to defend Slovenia from the Slovenes, nor Croatia from the Croats. We will not let Serbs lose their lives for the protection of the collapsed communist edifice, Draskovic said.

He offered his proposal for altering internal borders as the key to the peaceful denouement of the Serb-Croat clash which, as he said, would be acceptable and honorable for both sides.

Speaking about contacts with Serbia President Slobodan Milosevic, Slobodan Rakitic said that he and Dragoljub Micunovic [of the Democratic Party] demanded that the current government be replaced. We demanded a government of national salvation or national unity. The president of that government would have to be someone from the opposition or someone who is not a member of any party. All deputy caucuses and the president of the republic would have to agree on the election of the president of the government, Rakitic said.

Ministers in the new government would also have to enjoy the support of the majority of the parties. Rakitic said that the other demand was that Borisav Jovic and Sejdo Bajramovic be withdrawn from the SFRY Presidency. They would have to be replaced by other people, provided that one of them is from the opposition.

BORBA Expects Change of Government

LD1607224391 Belgrade TANJUG in English
1040 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—Belgrade's daily BORBA on Tuesday indicated that a change of government would come about in the near future in the Yugoslav Republic of Serbia.

The paper cites a statement on Monday of Democratic Party (DS) spokesman Jova Vukelic that Serbian President Slobodan Milosevic has accepted the demand by the opposition 'for the forming of a new government and a kind of a state council in which Serbia's most distinguished figures would be included.'

This was the only piece of information given to the press at the end of a several-hour conference between Milosevic and DS president Dragoljub Micunovic and Serbian Renewal Movement (SPO) Vice President Slobodan Rakitic, BORBA explains.

The paper adds that the details would be known on Thursday, when the closing talks between the authorities and the opposition on the change of government were expected.

The two biggest opposition parties in Serbia (the SPO and the DS) last week demanded that a new government be formed, a government which would enjoy the support of all the parties in Serbia.

In an announcement, signed by three more parties on July 9, the opposition assessed that the present government of Premier Dragutin Zelenovic 'gave the impression of total breakdown.'

The opposition warned that Serbia 'had no government' and that it was necessary to form a 'government made up of the ablest and most distinguished people, which would secure diplomatic offensive abroad and a negotiating offensive in Yugoslavia.'

As the Belgrade daily POLITIKA has unofficially learned 'the SPO and the DS parliamentary groups have prepared to partially boycott the work of the parliament in case their initiative was rejected.'

A partial boycott would mean participation in the work of parliamentary committees and absence from parliament sessions, the paper specifies.

POLITIKA quotes unofficial reports that the opposition has proposed former Serbian Parliament president Slobodan Unkovic as new premier.

SPO President Proposes Redrawing Borders

LD1607222891 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2112 GMT 16 Jul 91

[Text] Belgrade, 16 Jul (TANJUG)—At a meeting today of his party's central administration Vuk Draskovic, president of the Serbian Renaissance Movement [Srpski Pokret Obnove - SPO], presented a "map" of new borders between Serbia and Croatia as, as he put it, his own thought-provoking proposal. His "map" was met with strong reaction from the SPO central administration members.

According to Draskovic, parts of present-day Croatia, i.e. Baranja, the region of Vukovar and other localities in western Srem and eastern Slavonija, with a majority Serbian population, would be annexed to Serbia. Croatia would gain municipalities and parts of municipalities in Bosnia-Herzegovina with the majority Croat population. Dubrovnik would regain its status of a city republic. Bosnia-Herzegovina would be renamed Bosnia and Krajina or BIK and would be the state of only Serbs and Muslims. BIK would also include parts of Croatia, the entire Knin Krajina and parts of the Petrinja municipality up to Ogulin. Slovenia, Macedonia, and Montenegro would remain within their present borders. By these shifts in the existing internal borders Croatia would become nationally homogeneous and its territory would not be much smaller than its present area. Draskovic said. This would enable Croatia to achieve its long-awaited sovereignty. Serbia, however, would realize "a territorial expansion on a small scale but would stand to lose most since 500,000 Serbs would still be left behind in Croatia".

Draskovic asked whether Yugoslavia will survive, and then went on to answer that this is up to Croatia and Slovenia, but that in any case "Macedonia, Serbia, Montenegro, and Bosnia-Herzegovina should create a federation".

"Draskovic's personal proposal on the parting of Serbia and Croatia so war is stopped", was met by obvious dissatisfaction on the part of the majority board members.

Obviously caught by surprise by "the new map proposal" instead of the announced discussion on "the current situation in the country", members of the central board criticized their chairman for being "too generous in giving away some territories that have always belonged to Serbs". Many were of the opinion that the real western borders of Serbia are from Karlobag [on the Adriatic coast north of Zadar] to Virovitica [near the Yugoslav-Hungary border], and that this was a minimum without which negotiations cannot start.

Asked to whom this proposal is being addressed, Draskovic said that it is open to everyone in Yugoslavia and Europe, because "someone will have to start negotiations".

Stressing that he knew that his "thought-provoking proposal" will be met with dissatisfaction, Draskovic emphasized that he tried to find the most honorable solution to end the war, which would not "humiliate Croatia".

"If we are parting, then we should do it in a dignified manner," he said adding that in drawing the new map he proceeded from the reality, that is, the fact that Serbs do not need territories populated with Croats. "At the same time a revision of the present Croatian borders is necessary, because we stand by our principle that the Croats cannot gain a state advantage for themselves from two genocides over the Serbs," explained Draskovic.

In connection with Serbian President Slobodan Milosevic's talks with the chairmen of the groups of deputies of the Democratic Party and the Serbian Renaissance Movement regarding forming a national salvation government, Slobodan Raketic denied certain articles in the press about the talks so far.

According to him, it is not true that the opposition is calling for "a fundamental reconstruction of the Serbian government", but there is an agreement that it must be completely replaced.

This demand has been supported today, as well as the one that the president of the government of the national salvation must be someone from the opposition, or someone with a mandate and who is not a member of a party, a decision that must be unilaterally adopted by the ruling and opposition parties. The majority of the ministers must be from the opposition or they must be neutral experts, that is "the whole government must be noncommunist," stressed Raketic.

This government, as it was adopted at the session of the central headquarters, would have a limited mandate of

six months, and in the SFRY Presidency, Borisav Jovic and Jugoslav Kostic would have to give up their posts to the opposition candidates, while Sejdo Bajramovic could remain the representative of the Socialist Party of Serbia.

If these proposals are not accepted, the deputies of the Serbian Renaissance Movement in the Serbian Assembly, are obliged, it was concluded, to boycott the assembly for a certain period of time.

Official Rejects U.S. Claim About Albanians

LD1707091891 Belgrade TANJUG in English
2028 GMT 16 Jul 91

[Text] Geneva, July 16 (TANJUG)—Miodrag Perisic, representative of the Republic of Serbia at a CSCE (Conference on Security and Cooperation in Europe) expert meeting on minorities in Geneva, said today that outside Yugoslavia the question of the protection of the rights of that country's national minorities was often being confused with secessionism.

'Certain minorities, notably Yugoslavia's ethnic Albanians, are by putting forward enormous demands testing secessionist waters rather than expressing genuine concern about human rights violations,' Perisic said.

Perisic made his statement in response to a claim by the U.S. delegation that the rights to education of ethnic Albanians in the Yugoslav Province of Kosovo, part of the Republic of Serbia, were being narrowed down.

Explaining the education policy of Kosovo in detail, Perisic urged all the meeting's participants to treat the 'question of the essential protection of the national, linguistic and cultural identities of ethnic Albanians in Kosovo with a much greater sense of reality than has been manifested here from time to time.'

Land To Be Given Free To Serbs, Montenegrins

LD1607223291 Ljubljana Radio Slovenia Network
in Slovene 2100 GMT 16 Jul 91

[Text] At its session today the Serbian Assembly passed a new law which is likely to further exacerbate the situation in Kosovo. It concerns 6,000 hectares of land to be distributed among the Serbs and Montenegrins wanting to settle in Kosovo. The land will be given free and the settlers will be able to farm it for a period of 30 years. The Serbs and Montenegrins will also be allowed to build houses on the land given to them free. The Serbian leadership will grant them loans for that at favorable rates.

Ethnic Hungarians Support Budapest's Stand

LD1707033791 Belgrade TANJUG in English
1419 GMT 16 Jul 91

[Text] Budapest, July 16 (TANJUG)—Vice president of the Democratic Community of Vojvodina Hungarians,

Janos Vekas, has supported the Hungarian Government's stand on Vojvodina, the daily NEPSZABADSAG said on Tuesday.

The community rallies ethnic Hungarians in Serbia's northern Province of Vojvodina and has eight deputies in the Serbian parliament.

Vekas said he had not seen "any territorial claims towards Yugoslavia" in Hungarian Prime Minister Jozsef Antall's recent statement.

Antall said in talks with Italian President Francesco Cossiga that with the trianon [as received] Paris peace treaty, Vojvodina had become part of the kingdom of Serbs, Croats and Slovenes, that is, the new federal people's republic of Yugoslavia, and not of Serbia.

It follows from Antall's stand, political analysts conclude, that Vojvodina should not necessarily remain a part of Serbia in case of Yugoslavia becoming a confederation, that is, that its status would be completely open if the country breaks up.

Vekas underlined that the views of the Democratic Community of Vojvodina Hungarians do not basically differ from the Hungarian Government's stand.

Vojvodina Assembly Views Slovene, Croat Decisions

LD1607115491 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1643 GMT 15 Jul 91

[Text] Novi Sad, 15 Jul (TANJUG)—The one-sided decisions of Slovenia and Croatia to secede from Yugoslavia are a gross destruction of the constitutional system and the territorial integrity and sovereignty of the SFRY. They will, the Vojvodina Assembly concluded today, inevitably lead to the disintegration of the country in the most dramatic way possible. The immediate consequence of this has been escalation of the crisis in the country, leading to military clashes involving unnecessary and unjustifiable human casualties.

Faced with this situation, the Serbian nation is forced to organize itself in order to defend its centuries-old hearth and freedom, while women, children, and old people are seeking safety in Serbia as refugees, delegates of the Vojvodina Assembly stressed at the session, at which consideration was given to the political situation in the country.

The Vojvodina Assembly, although it supports the conclusions of the SFRY Presidency concerning the Brioni Declaration, expresses doubt that these conclusions will be implemented, because decisions made up to now have not been carried out.

The Yugoslav Assembly must immediately establish and adopt a legal document regulating the way in which the rights of nations to self-determination are realized. This

would make it possible, in the assessment of the Vojvodina Assembly, for the secession of individual nations from Yugoslavia to take place in a peaceful, democratic, and civilized way.

The Vojvodina Assembly proposes to the Serbian Assembly that it officially request its allies in both world wars to take a clear stand in relation to the position of the Republic of Serbia in today's Yugoslav crisis and in relation to the revitalization of defeated fascist forces in Yugoslavia and Europe.

The Vojvodina delegation in the Yugoslav Assembly commits itself to launching an initiative for the urgent adoption of a law on elections to the SFRY Assembly's Federal Chamber and requests the president of the SFRY Assembly to hold immediate elections to the Federal Chamber.

The Vojvodina Assembly proposed that, during the moratorium period and on the basis of constitutional powers, Serbian bodies undertake all measures and activities to develop mechanisms for the protection of Serbia and the Serbian population on territories where they form the majority, if an agreement is not reached on the future order of areas of Yugoslavia that have opted to live together. The Republic of Serbia, according to the provincial assembly, must be militarily prepared to protect those territories and the existence of the Serbian nation.

The provincial assembly supports the Yugoslav People's Army and demands that it carry out its constitutionally and legally prescribed tasks. All calls for the formation of voluntary units must contribute toward the strengthening of a single armed forces institution as part of the territorial defense of the Republic of Serbia, the conclusion state.

The Vojvodina Assembly also makes it clear that it energetically rejects interference on the part of the Republic of Hungary in the internal affairs of Yugoslavia with clearly expressed territorial pretensions toward the Republic of Serbia. In the future, as well as in the past, the citizens of Vojvodina will decide on its fate.

Delegates of the Vojvodina Assembly hold that more information about events in Yugoslavia, and especially in Serbia, and about the status of the Serbian people should be supplied to foreign countries. It was also decided that Yugoslavia's diplomatic and consular missions have not adequately presented the interests of Yugoslavia, and that all diplomatic representatives who worked on the breakup of Yugoslavia should be obliged to account for their actions and recalled from their posts.

The Vojvodina Assembly sent a sharp protest to the Federal Government and demanded that the Federal Executive Council and its president's responsibility be established. The Assembly maintains that they contributed to the further exacerbation of the Yugoslav crisis.

The Vojvodina Assembly delegates appealed to the citizens of the province to ignore the activities of what they described as various nationalists are trying to sow hatred amongst the peoples of Vojvodina and are spreading appalling lies that some nations and nationalities are in danger in Vojvodina.

Bosnia-Herzegovina

Daily: Croatia Does Not Want Stability

LD1607215391 Belgrade TANJUG in English
1023 GMT 16 Jul 91

[Text] Zagreb, July 16 (TANJUG)—'The policy of the Yugoslav Republic of Croatia did not seek the destabilization of Bosnia-Herzegovina (BiH)' while the 'Croatian Democratic Union in BiH has since its foundation called for the integrity of that republic,' as the daily VJESNIK, published in the Croatian capital of Zagreb, says today.

The daily finds evidence of Croatia's policy in statement by Croatian President Franjo Tudjman to British newspapers the DAILY MIRROR and THE EUROPEAN last week. VJESNIK, however, does not mention Tudjman's interview to THE TIMES of London last week, in which Tudjman said the 'division of BiH would be the best solution to the Yugoslav crisis.'

Tudjman's statement to THE TIMES has triggered sharp criticism of BiH President Alija Izetbegovic and the Yugoslav press.

VJESNIK describes the division of BiH between Serbia and Croatia as a 'cuckoo in the nest of the Yugoslav Republic of Serbia' which 'has been working on the destabilization of this republic for over six months, partly through the Serbian Democratic Party.'

The Croatian policy insists on the 'respect of the existing republican borders in the event of Yugoslavia's re-arrangement into an alliance of sovereign states,' as VJESNIK explained.

'In the current re-arrangement of the Yugoslav territory, the existing republican borders are denied only by Serbian President Slobodan Milosevic (and to some extent by Montenegrin President Momir Bulatovic), while the others are trying to preserve them,' VJESNIK says.

Division Would Be 'Bomb for Europe'

LD1607214391 Belgrade TANJUG in English
1016 GMT 16 Jul 91

[Text] Belgrade, July 16 (TANJUG)—The 'division of the Yugoslav Republic of Bosnia-Herzegovina (BiH) could not be attained without bloodshed and such an attempt would be a bomb for Europe as a whole,' writes the Belgrade daily BORBA on Tuesday.

The close-to-Federal Government daily assesses as 'very portentous' the recent statement of President of the

Republic of Croatia Franjo Tudjman to the London TIMES that '(?)division) of the BiH ws the best solution to the Yugoslav crisis.'

The commentary points out that 'it continues unclear whether division of the BiH was discussed in the recent talks between the presidents of the republics of Serbia and Croatia—Slobodan Milosevic and Franjo Tudjman.'

'No statement leading to such a conclusion could be heard from politicians of Serbia,' stresses the paper. A 'sort of a Tudjmanistan would be formed,' with a division of the BiH between Serbia and Croatia, which would be a 'kind of a reservation for the Muslims,' the papers notes, warning that 'there were no ethnically pure regions, even in the smallest of places in the BiH.'

The paper recalls that 'creating a Muslim state was not called for by any Muslim party or institution.'

'By way of this statement Tudjman most likely wanted to win sympathy in the Muslim circles who have begun to tie their fate to Croatia, and also among the Muslim states which perhaps would pay well for the creation of some sort of an 'oasis of [word indistinct]' on European territory,' concludes BORBA.

Muslims Flee Serbs in Sipovo, Shooting Heard

AU1607211191 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1700 GMT 16 Jul 91

[Text] Our reporter Radomir Vukojevic today attended a news conference by the president of the Sipovo branch of the Party of Democratic Action, (?Sahid Ribic). At this news conference (?Sahid Ribic) said that several militant members of the communal leadership of the Serbian Democratic Party and the Serbian Renewal Movement of Sipovo carried out a political coup on 9 July in the headquarters of the Territorial Defense and the Secretariat for National Defense, and distributed to their volunteer units 800 automatic and semi-automatic weapons and 300,000 bullets. This was done under the pretext of mobilization and by deceiving the district staff of the Territorial Defense of Banja Luka, the public in Bosnia-Herzegovina, and the Serbian people. Radomir Vukojevic reports from Sipovo:

[Vukojevic] (?Sahid Ribic), president of the Party of Democratic Action, stated at the news conference today that the Serbian volunteer units in Sipovo were distributed weapons that were meant for the reserve units of the Territorial Defense, and that not a single Muslim was given any weapons.

[Begin Ribic recording] Weapons were distributed exclusively to the Serbs, to the nation that represents about 80 percent of the population in this area, (?claiming) at the same time that the Serbs are endangered by the Muslims, who make up about 20 percent of the population, (?thus threatening) one nation to their extinction.

By stirring up and deceiving their own people, part of the leadership of this party is the biggest enemy of their

people because it is pushing them to (?fratricidal war) with catastrophic consequences.

Fortunately, this time the people were more sensible than their leadership and not a single bullet has been fired [words indistinct]. [end recording]

The Serbian Democratic Party denies any party coup in the staff of the Territorial Defense or National Defense. Here is what Savo Popovic, vice president of the party, said:

[Begin Popovic recording] I do not know personally of any case, nor has anyone told me of any case where Muslims have been threatened. I think that Muslims in Sipovo live (?like) Serbs. [words indistinct] we all live like neighbors and brothers. [words indistinct] does not exist in Sipovo as far as I know. All weapons that have been distributed will be returned after the mobilization (?has been carried out). As I heard last night, more than (?80) percent has been returned. All of it will be returned. [end recording]

The Serbian Democratic Party stated that the mobilization was not carried out and weapons distributed to attack Muslims in Sipovo, but to defend Serbs in Knin, because it was allegedly announced that the Croatian militiamen were planning to penetrate into Knin via Kupres, Sipovo, and Bosanska Krajina.

Members of the Party of Democratic Action claim, however, that shooting can be heard in the town and surrounding villages at night. This is why the Territorial Defense is urged to return the distributed weapons as soon as possible so that peace and, as stated at the news conference, some hundred Muslims who fled the area out of fear to Jajce, Bugojno, and Travnik can return to Sipovo.

(?Both) parties today sent appeals to Serbs and Muslims to live as good neighbors.

Liberals Reject Brioni Declaration

AU1607090991 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1700 GMT 15 Jul 91

[Text] The Liberal Party has not voted for the Brioni Declaration since the party is striving for the question of Bosnia-Herzegovina to be internationalized in the correct manner. This was stated at a news conference today, at which the Liberals dealt with the first paragraph of the Declaration that only the peoples of Yugoslavia can decide on its fate, judging that this could mean that Bosnia-Herzegovina would no longer exist. They also put forward the view that respect for internal borders is the first condition for the solution to the Yugoslav crisis.

Journalists were also interested in the party's stand regarding Tudjman's statement that the solution to the Yugoslav crisis lies in the division of Bosnia-Herzegovina. It was stated that the current situation in the republic favors the thinking that this crisis can be resolved by changing the internal borders.

Macedonia

Reportage on Tupurkovski's Visit to London

WA1607151791

For reportage on the visit by SFRY Presidency member Vasil Tupurkovski to London to attend the World Economic Summit, see the International Affairs section of the 16 July West Europe DAILY REPORT and subsequent issues.

Interior Ministry on 'Stable' Situation

LD1707102591 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1426 GMT 16 Jul 91

[Text] Skopje, 16 Jul (TANJUG)—“The security situation in Macedonia is stable, although this does not mean that, under the influence of the latest developments in Croatia and Slovenia, it cannot deteriorate”—this was said today at a news conference held in the Macedonian Interior Ministry.

There are no serious attempts to destabilize intranational relations, which would in turn contribute to the

destabilization of the security situation in the republic. The Interior Ministry stresses that aggressive announcements made by some parties that paramilitary formations are being formed in Macedonia, are unfounded.

Aspirations of neighboring countries—above all Greece, Bulgaria, and Albania—toward Macedonia are increasingly prominent. A factor of destabilization of the security situation in Macedonia is an announcement made by the Albanian leadership that, in the case of Slovenian and Croatian secession, they will organize, with the Albanian population in Yugoslavia, a referendum at which the Albanians would decide in which type of state they want to live.

As a result of the latest developments in Slovenia and Croatia, interest for arming is growing among the population, and the Interior Ministry has available information that arms are being delivered to the republic from other environments. Mobilization of the police reserve force, which caused disquiet among the citizens of this republic, has been carried out in line with a decision of the republican government to strengthen security measures and check mobility of the reserve composition.